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# Sessional Review

Saskatchewan Legislature  
1909

AND STATEMENT OF THE  
PROVINCIAL RIGHTS POLICY



APRIL, 1910

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## Introduction

THE second session of the second legislature of Saskatchewan, which came to an end on December 18th, 1909, though only of one month's duration, was productive of important legislation. The business was important, if for no other reason, than because of the disclosures made. The bungling methods of the Government were disclosed by the criticism of the Provincial voters' lists by Mr. Haultain, which was followed by their being thrown out by the Government, though \$80,000 had been spent on their preparation. The disclosure of the real state of the Provincial finances is not only important, but a cause for grave concern. These and matters in general are dealt with in the succeeding pages.

It was the Opposition's session. The Government was completely on the defensive. Of course, the Opposition has not been able to secure the passage of measures which embody the general principles of its policy; but by resolutions and criticism of Government measures embodying contrary principles, public opinion has been educated and the public interest defended.

The Government ownership of elevators was kept well to the front by the renewed declaration of Mr. Haultain that it was the only method by which the grievances arising out of the handling of grain could be remedied. The Willway resolution, requesting the Dominion Parliament to vote a sum of money, during the present session, in order to enable work on the Hudson's Bay railway to be commenced this year, was passed. So was the Elliott resolution requesting the Dominion Parliament to make a grant of land for the assistance of the University.

### OPPOSITION RESOLUTIONS

Resolutions dealing with several other important matters were also submitted, though unfortunately they were defeated. There was the Gillis resolution for the establishment of a system of Government Hall Insurance; the Elliott amendments protesting against the reduction of grants to agricultural societies, and to schools; the Donaldson resolution for the appointment of a committee to enquire into the resources of Northern Saskatchewan; and the Wylie resolution affirming the loyalty of the House to the Empire and calling for the contribution of a "Dreadnought" to the British admiralty. These resolutions show that the Opposition is fully alive to public needs.

The Saskatchewan Opposition is one of the strongest, if not the strongest, Opposition in any of the provincial legislatures. It numbers 14 members, led by ex-Premier Haultain, whose twenty-three years in Western public life, of which thirteen years were spent in the Premiership of the Territories, have made him one of the foremost of Canadian legislators. The New Brunswick Opposition has 17 members, and the Quebec 16 (of whom three are Nationalists); but neither of them is as effective as the Opposition in this Province. When it is remembered that the Opposition candidates polled 49 per cent. of the vote at the last Provincial elections, it can readily be seen that in men, measures and public support the party led by Mr. Haultain has a hold on the Province which should soon result in its return to power.

## A Party With a Policy

### A Reply to Mr. Calder's "Fairy Tale" That the Opposition Has No Policy on Public Questions.

At Rosetown recently Hon. Mr. Calder derided the Opposition as being a party without a policy. He charged that it maliciously misrepresented the state of the Provincial finances, misstated facts, and in general spread abroad "fairy" tales on matters relating to Provincial politics.

To allege that Mr. Haultain and his followers have no policy is a new charge. In 1905 their opponents represented to the electorate that, not only had the Opposition a policy, but one so dangerous as to be positively revolutionary. Mr. Haultain was branded as a rebel and a traitor, whose policy, if endorsed, would precipitate strife. Now, to suit their purpose, the supporters of the Government seek to diffuse the impression that the Opposition has not even opinions on current events.

So Mr. Haultain and his followers are without a policy! Surely Mr. Calder will admit that on the land question they have a policy, for he spends much time in opposing it.

What of the elevator question and the attitude of the Opposition towards it? There is but one party in this province that has a policy on it; that party is the Opposition. Its policy is Government owned and operated elevators under the control of an independent commission. On this question it is the Government that is without a policy. It is further to be noted that Mr. Haultain was the first political leader in Canada to introduce Government elevators into the arena of practical politics.

The Opposition has no policy! What of Hall Insurance? In season and out of season the Opposition has championed Government Hall Insurance. The Scott Government abolished that system.

What of the onerous and unnecessary Supplementary Revenue Tax, which bears heaviest on the person least able to bear it and who desires least benefit from it—the homesteader? Has not the Opposition opposed this tax with all the vigor possible?

The Opposition has no policy! How is it then that during last session the Government accepted several important Opposition resolutions? The Opposition has a policy on the matter of a land endowment for the University, and the Government accepted it. The Opposition resolution on the Hudson's Bay Railway was also accepted. The Opposition has a policy relative to the development of the northern part of the Province and the Government was so afraid of the subject that it refused even to appoint a committee to enquire into those resources.

# Financial Embarrassment

## Actual Deficit of \$786,000 Concealed by Scandalous Juggling of Accounts. Debt Charges Growing Rapidly.

What is the state of the Provincial finances? Is the administration paying its way, or is it going into debt? These are questions which concern all residents of the Province. The facts show that the administration is not paying its way. It has been running behind for two years, though the fact was denied until December last, when the Provincial Treasurer admitted that on the operations of the financial year 1908-09 there was a deficit of \$58,621. In reality the aggregate deficits for the period January 1, 1906 to March 1, 1909, total \$786,946. This was disclosed by Mr. Haultain's criticism of the financial situation generally.

The liabilities of the Province, including railway guarantees, are \$50,000,000.

The Provincial debt is \$3,325,000.

Permission was obtained at the last session of the Legislature to borrow \$5,000,000. In 1907 a loan of \$2,000,000 was also authorized.

The interest charge for 1910-11 is \$151,000.

The record of surpluses and deficits is as follows:

January 1, 1906, cash balance .....	\$546,704.82
*March 1, 1907, cash balance .....	482,280.14
March 1, 1908, cash balance .....	1,167.72
March 1, 1909, admitted deficit .....	58,621.00
March 1, 1909, actual deficit .....	786,946.00

\*—Financial year changed.

Statement of revenue and expenditure from September 1, 1905:

	REVENUE	EXPENDITURE		
		Capital	Current	Total
1906-07 (14 months)	\$2,081,712	\$	\$1,599,432	\$1,599,432
1907-08 .....	2,420,400	327,620	2,091,612	2,419,232
1908-09 .....	2,528,624	1,679,411	2,587,246	4,266,658
1909-10* .....	2,355,679	1,494,214	2,271,621	3,765,835
1910-11* .....	2,454,600	2,262,253	2,442,455	4,704,853

\*—Estimated.

These figures are for general revenue and actual expenditure.

### ACTUAL DEFICIT \$786,946

It may be said that the foregoing statement does not show aggregate deficits of \$786,946. The question arises: What is the explanation? Now the actual amount of the deficits has been concealed by the juggling of accounts, the explanation of which takes one back to the session of 1906.

In the estimate of expenditure submitted that year, there was no division of expenditure on Public Works into "Capital" and "Income" accounts. The Government announced its intention to meet all Public Works expenditure, whether of a permanent or temporary nature, out of current revenue. The Premier and the Provincial Treasurer explained that this was being done, because there was a large surplus that year, which warranted such a procedure. Mr. Haultain protested against this policy, but his protests were unheeded.

### LOTS OF MONEY

During the course of the Budget debate, Mr. Calder, after reminding the House that the Province was beginning "without a debt and with a full treasury," contrasted the conditions with those of the Territorial regime and said:

"Turning to the other side of the account, they would find that they had increased expenditures as well as increased revenues. This, however, was not surprising, for while they were all anxious for the establishment of Provincial institutions in this part of Western Canada, they all recognized that with Provincial institutions there would come increased burdens and responsibilities. And a glance at the estimates would show that the Government had tried to provide for those responsibilities. There would, however, be no necessity for going into debt, either at the present time or for the next few years, because he thought the revenues of the Province would for some time to come be sufficient to provide for all branches of the public service, although the Government, if necessity arose, would not be afraid to go into debt. There was one phase of this question which the Government would have to face before long, and that was whether they would take from the general revenues of the Province year by year the large amounts which would have to be spent on public works and buildings which might properly be classed as capital expenditures. It would be necessary for the next few years to spend half a million, a million, or perhaps a million and a half dollars on permanent public works such as steel bridges and public buildings, and it was a question the Government would have to consider whether it would be advisable to take the whole of the cost of such undertakings from the current revenues."—Leader, May 19th, 1906.

It is to be observed that Mr. Calder said the Government would have to face before long the question as to whether they would, not one year, but year by year, take from current revenues the amounts necessary to meet capital expenditure. Apparently, there was no question but that during 1906 such expenditure would be met out of current revenue.

### MR. HAULTAIN PROTESTS

Mr. Haultain, protested against this procedure in the following:—

"Touching for a moment on the estimates, Mr. Haultain said he did not approve of current revenue being devoted to works of a permanent nature, such as bridges at Prince Albert, Saskatoon and Battleford, but thought capital expenditure should be met in the usual way from loans."—Leader, May 21st, 1906.

### "MONEY TO BURN"

Replying Premier Scott said:

"He also agreed with the leader of the Opposition that it would

not be fair to continue to take the current revenue for capital expenditure, but as his friend (Mr. Calder) had pointed out, they had this year a comparatively inflated revenue owing to the half a million dollars which were available this year through the exceptional conditions of last year. This year and the next, the Province would be better off than in the following few years, and the Government had thought it wise to expend some of their exceptional revenue on what might be termed capital expenditure, rather than run into the danger of having inflated current expenditures which it might then be difficult to curtail in future years."—Leader, May 21st, 1906.

The question in the Premier's mind was not the propriety of taking current revenue for capital expenditure that year, but whether it should continue to be taken. As far as 1906 was concerned, that method was settled policy.

Mr. Haultain continued to object:

"Mr. Haultain further objected to the expenditure of large sums of money on capital account out of current revenue. Why, he asked, should the present generation bear the whole of the cost of buildings which would last for generations?"—Leader, May 26th, 1906.

Would he have continued to object had it been understood that such charges were only in the nature of advances?

#### THE GOVERNMENT'S JUSTIFICATION

Mr. Calder again defended his action and, having referred to the Land Titles Office expenditure, said: "With regard to the question of capital expenditure, he was himself against the system of taking large sums for that purpose out of current revenue, but in the present instance, they were dealing with a larger revenue than they would probably have to deal with in the course of the next few years and claimed that the course followed by the Government was the proper one under the circumstances."—Leader May 26th, 1906.

Having thus justified his announced intention of paying for all public works' expenditure for that year, whether of a temporary or permanent character, out of current revenue, the Provincial Treasurer went on to deal with certain other items marked in the estimates as "loans" or "advances." These sums aggregated about \$112,000 and were advances to the Government Printer and to assist the dairy industry. He was reported as follows:

"The Provincial Treasurer also pointed out that certain items which had been voted in the estimates and certain others in the supplementary estimates were in the nature of advances and would be received back by the Province."—Leader report.

#### THE "ADVANCES" MEANT

The Appropriation Act of 1906 shows clearly what the Provincial Treasurer had in mind. The Government had decided to encourage the dairy industry by a system of loans and advances to persons engaged in it, which sums were to be repaid to the Government from the proceeds of sales, etc. The appended quotation is from the Act:

"Loans to creameries for purchase of machinery to be repaid by instalments .....	\$10,000
"Advances for milk and cream, to be recouped out of the proceeds of sales, to be placed to the credit of the General Revenue Fund .....	50,000

"Additional amount required to pay for advances for milk and cream .....	15,000
Government Printer's advance .....	35,000
	<b>\$110,000</b>

In the supplementary estimates for that year was an item of \$2,423, "Government Printer's Account."

These are the "advances" that "would be received back by the Province," of which the Provincial Treasurer spoke. How is it that if certain Public Works expenditure was an advance, no mention of the fact was made in either the estimates or the Appropriation Act?; while in the case of dairy advances it was stated that returns covering these sums were to be placed to the credit of the General Revenue Fund? The statement of the Provincial Auditor for 1906-07 contains no mention of expenditure on "capital" account, clearly indicating as the Premier and Mr. Calder had said, that the intention was to charge all such expenditure that year to "Income."

In the meantime, the demands for public works of a permanent nature were increasing and at the following session an appropriation for "capital" expenditure was asked for and granted. So in 1907-08 the "Capital Account" had its true origin. As yet no intimation had been given that part of the public works expenditure for 1906-07 was considered as an advance to be repaid.

#### A CHANGE TAKES PLACE

By the end of the financial year 1907-08 a change had come over the situation. The cash surplus, which at the beginning of the year was \$482,280.14, had dwindled to \$1,167.72. Something had to be done. The Provincial Treasurer recollected that during 1906-07, \$81,859 had been spent on the Saskatoon and Battleford bridges; \$110,430 on sites for provincial institutions and \$42,791 paid to the Dominion Government for buildings taken over in 1905. Then the happy idea suggested itself of treating this total of \$235,080 as an advance to be repaid to the General Revenue Fund. By this procedure, next year's revenue could be increased by \$235,080, a contribution altogether unexpected. The Government needed the money; the accounts were reopened and the transfer made.

But the Government was not content with getting \$235,080. It realized that by treating the capital expenditure during 1907-08 also as an "advance" a much larger amount could be thrown into revenue account during 1909-10. So the Government lumped together the capital expenditure during 1906-07 (\$235,080) and 1907-08 (\$327,620) and against this total of \$562,701 it set the public buildings subsidies for two years and a half, or \$234,375. The balance of \$328,326 was represented as an "advance" to be repaid into revenue account from the proceeds of the \$2,000,000 loan. By this piece of "juggling" the revenue during 1908-09 was swelled by \$328,326.

#### MORE JUGGLING

One would think that for a while at least the "juggling" would have been discontinued. But necessity knows no law. The year 1908-09 was the year of the general elections. They were brought on suddenly and evidently unexpectedly. Apparently, the estimates had not been prepared with an eye to an early appeal to the country. All at once it was discovered that in some constituencies not considered altogether "safe," certain public works were urgently needed, and they were ordered forthwith. On ordinary public



works, \$306,000 was spent more than had been voted. To have thrown this entirely upon the revenue for that year would have disclosed a huge deficit, and by some means or other it had to be got out of the way. Nearly \$1,500,000 had been voted for capital expenditure and it did not seem advisable to charge more to that account. So a new method was employed. Four hundred thousand dollars worth of expenditure charged to income was selected and described as "permanent local improvements." During the session of 1908-09, the Legislature was requested to authorize a \$500,000 Public Improvements loan, to be extended over ten years, \$50,000 to be paid off annually, the charges to be met out of current revenue.

Advantage was taken of this legislation to raise \$400,000 to pay for the heavy public works expenditure, three-fourths of which sum had been authorized during the campaign. This method of financing is surpassing strange. The Government said that this money was permanent expenditure, yet it was not charged to capital account. The Government said it was permanent expenditure, yet it is to be paid out of current revenue in the form of eight annual instalments. However, the manoeuvre served the purpose of the Government. It enables them to spread over until 1917 an expenditure which should have been met in 1908-09. By these two pieces of "juggling" the Provincial Treasurer was enabled to improve his financial statement that year by \$786,946. Even this did not save him from a deficit, for in December last he announced that during the financial year 1908-09 expenditure had exceeded revenue by \$58,621. In other words the ordinary expenditure exceeded revenue by \$786,946.

To recapitulate, the cash surplus, which on March 1st, 1907 amounted to \$482,280.14, had by March 1st, 1909 not only disappeared, but had given place to an actual deficit of \$786,946. In other words, during these twenty-four months, the actual expenditure on current account had exceeded the revenue by \$1,269,226. Thousands of dollars have been utterly wasted. On the preparation of voters' lists alone \$77,969 was thrown away in 1908-09, the lists being so irregularly prepared that they have been abolished.

#### LESS MONEY TO SPEND

What has been the result? The expenditure on needful public works and services has been cut out of all reason.

The ordinary Public Works expenditure, which in 1908-09 was \$1,175,756, is only \$576,737 for 1910-11. The amounts for the three years are:

1908-09 expenditure .....	\$1,175,756
1909-10 vote .....	562,554
1910-11 vote .....	576,737

While our population has increased probably 25 per cent., the ordinary expenditure on public works has decreased 50 per cent.

The School Grants have been cut 30 per cent

Government Hall Insurance has been abolished.

The grants to agricultural societies have been reduced and many other expenditures formerly borne by the Government, such as weed inspection, wolf bounties, etc., have been unloaded on the municipalities.

And this unloading will continue to go on. Expenditure is out-

stripping revenue. Current expenditure, which in 1906-07 was \$1,599,432, is this year (1910-11) \$2,442,455; while capital expenditure has jumped from \$327,620 to \$2,262,253. The General Revenue fund, which in 1906-07 was \$2,081,712, will, it is estimated, amount this year to \$2,454,600. In other words, general revenue has only increased about one-third as rapidly as current expenditure.

### THE EXPLANATION

But one of the principal explanations for these reductions is to be found in the fact that new and fixed charges for the debt must be met. Two years ago little or nothing was paid on this account. Last year the charge was \$100,100; this year it will be \$151,000, for interest (\$131,000 and \$20,000) plus \$50,000 to meet the Sinking Fund charge on the Public Improvements Loan.

If the Government during 1910-11 spends on capital account the whole of the money voted, \$2,262,253, the interest charge next year will exceed \$230,000; i.e., it will amount to 60 per cent. of the subsidy in lieu of lands.

### THE DEBT

1907 Loan .....	\$2,000,000
1909 Loan .....	350,000
1909 Treasury Bills .....	975,000
	<hr/>
	\$3,325,000

At present, the debt is \$3,325,000. Authority has been granted to borrow \$5,000,000. Consequently an interest charge of nearly \$300,000 a year is within sight.

### DEBT CHARGES

1905-06-07 .....	Nothing
1907-08 .....	Nothing
1908-09 .....	Nothing
1909-10 .....	\$100,100
1910-11 .....	201,000

This \$201,000 consists of \$131,000 interest on principal loan; \$20,000 interest and \$50,000 payment to sinking fund on the Public Improvements loan.

While the debt charges are eating deeply into the revenue, a considerable sum in the form of a Dominion subsidy for buildings disappears this year. In 1905, \$93,750 for this purpose was granted for a period of five years, which means that from this source alone the Province will in a few months have drawn a total of \$468,750.

Receipts by years from Dominion subsidy for buildings:

1905-06-07 .....	\$140,625
1907-08 .....	93,750
1908-09 .....	93,750
1909-10 .....	93,750
1910-11 .....	46,875
1911-12 .....	Nothing

### HAULTAIN PREDICTIONS VERIFIED

These facts are sufficient to show that Mr. Haultain's predictions as to what the outcome following the acceptance of the Autonomy terms would be, have been abundantly verified. He demonstrated conclusively that the financial terms of the arrangement were inadequate for the undertakings which the Provincial Gov-

ernment would have to assume. Every person who is not blinded by party prejudice must admit that \$370,000 a year is an inadequate return in lieu of the revenue from the public domain. And the situation will become more embarrassing as time goes on. The expense of government will increase, while the return per capita in lieu of the lands will decrease with the growth of population. In his speech on the Budget, Mr. Haultain said that he did not object so much to a certain increase in the debt, as to the attitude of members of the Government, who, a few years ago, had deceived the people by telling them that it would be unnecessary to go into debt. In 1905 assurance was given that acceptance of the Autonomy terms was the only way by which resort to direct taxation could be prevented. Direct taxation came in 1907 in the Supplementary Revenue Act.

### PROMISES vs. FULFILLMENT

Below are some of the promises made to the people in 1905 and subsequently, contrasted with the actual results.

#### PROMISES

"In short, as against a local government revenue from Ottawa of \$424,879 five years ago, when I became your representative, and of \$1,111,797 in the recent fiscal year, the same area of country will start provincial housekeeping on 1st September with combined revenues from Ottawa of \$2,060,750, and WITH PRACTICALLY LITTLE ADDITIONAL DIRECT RESPONSIBILITY beyond the administration of criminal justice." — Mr. Scott to the electors of West Assiniboia, August 1905.

"There would, however, be no necessity for going into debt; either at the present time or for the next few years, because he thought the revenues of the Province would for some time to come be sufficient to provide for all branches of the public service, although the Government, if necessity arose, would not be afraid to go into debt." — Mr. Calder, May, 1906.

"Our government will not have to consider ways and means. As a Province we start free of debt and we have an ample revenue for the needs of the country. The revenue increases as our needs increase." — Leader, November 11, 1905.

#### FULFILLMENT

1909 — Provincial liabilities, \$50,000,000.

1907—\$2,000,000 loan authorized.

1908—\$500,000 loan authorized.

1909—\$5,000,000 loan authorized.

1909—Debt, \$3,325,000. Actual deficit, \$786,946.

"We should not be afraid of debt. Debt is a sign of progress." — Mr. Calder, Budget speech, 1909.

"If we had the lands we should not get a subsidy in lieu of lands.. For the year 1905 this amounts to \$468,750. If deprived of this, the Province would immediately have to borrow money. Direct taxation would be staring us in the face."—Leader, November 11, 1905.

"We have the money in the bank. Let us drop this sentimental question and get down to business."

"Inasmuch as the Dominion retains control of the lands, it shall also maintain the R.N.W. M.P. to patrol these lands as long as such a force is necessary to the maintenance of law and order."—Leader, October 18, 1905.

Land Subsidy 1910-11—\$421,875.

Direct taxation came through the Supplementary Revenue Act in 1907.

1909-10—Deficit \$58,621—Hon. J. A. Calder.

Actual deficit, \$786,946.

The Province pays \$75,000 a year for the maintenance of the Mounted Police, and has done so since the beginning of 1906.

#### LIABILITIES OF THE PROVINCE

The Government has not yet presented a full statement of the Provincial liabilities. The only statement that has been presented is one showing the provincial debt which, through the issue of bonds and treasury bills, stood at \$3,325,000 on November 1, 1909. During the Budget debate, Mr. Haultain called attention to the fact that no reference had been made to the liability for Seed Grain, which amounts to over \$400,000. It became due on March 1st, 1909, and is a first charge upon all subsidies of the Province.

There is also the railway bond guarantee liability. To date, the bonds for over 1625 miles have been guaranteed for \$13,000 a mile. The guarantee covers principal and interest at 4 per cent. and is for 30 years. This guarantee may be increased to \$15,000 a mile.

Liabilities of the Province on January 1st, 1910:

Provincial Bonds .....	\$2,350,000
Treasury Bills .....	975,000
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	\$3,325,000
Seed Grain Liability .....	400,000
Railway Bonds guarantee, principal liability .....	21,125,000
Railway Bonds guarantee, interest liability .....	25,350,000
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	\$50,200,000

#### THE FINANCIAL OUTLOOK

What of the future financially? There seems to be no possibility of escape from an early resort to further and extensive direct taxation. The Government expenditure must necessarily increase and that not slowly. Where will the money come from? The process of unloading upon the municipalities expenditure which, hitherto, has been considered as rightly borne by the Government, cannot much longer continue. On the other hand, the subsidies from the Dominion are fixed and cannot be increased except at

stated intervals. After the population reaches 1,200,000 the land subsidy can never be increased. This is the last year in which the grant of \$93,750, from the Dominion Government for buildings will be received. As a matter of fact, only one-half that amount will this year be received. The revenue from local sources is also being affected by the tax exemption feature of the guarantee of bonds legislation by which the roads, the bonds of which have been guaranteed, are exempt from taxation for the first fifteen years, while for the second fifteen years the taxation shall not exceed \$30 a mile. As all the Canadian Northern and Grand Trunk Pacific branch lines are being built under the guarantee method, it is manifest that the proceeds from the Railway Tax are bound to be much affected.

It is true that at stated periods the revenue from the Dominion will be increased. When population reaches 400,000, the land subsidy will amount to \$562,500. Every two and a half years, the return from the per capita grant of 80 cents is increased; but the school expenditures will keep pace with such increase.

But look on the other side of the account. The debt charges, which two years ago were nothing, are now \$200,000 a year, and will more than counterbalance any near increase in the land subsidy. The University expenditure, which on maintenance alone has jumped from \$8,000 to \$36,000 within a year, will continue to increase rapidly, and since no special provision has been made for its needs, this expenditure must be met by the people in the form of a direct tax.

#### WHEN POPULATION REACHES 400,000

As the members of the Government frequently in speech anticipate the improved conditions which they say will result from increase of the Dominion subsidy when population reaches 400,000, it will be of interest to calculate the increases in comparison with the amounts now received. When the population of the Province shall have arrived at 400,000 the sums received from the Dominion will be:

Land Subsidy .....	\$562,500
Per Capita Grant .....	320,000
Legislation .....	190,000
Debt allowance .....	405,375
	<hr/>
	\$1,477,875

The amounts received under these heads in 1908-09 were:

Land Subsidy and Building Grant .....	\$468,750
Per Capita Grant .....	206,210
Legislation .....	180,000
Debt allowance .....	405,375
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	\$1,260,335

The increase will be \$217,540. This will be easily swallowed by the increase in the ordinary expense of government. By 1912 the new loan for \$5,000,000 will have been floated. That alone will mean an additional interest charge of \$200,000. To this add the present interest charge of \$150,000 and the result is \$350,000, and that within a couple of years. Certainly the financial outlook is not bright.

## Government Elevators

### Mr. Haultain the Leader in the Government Elevator Campaign. Statement of His Position.

The Opposition has a policy on the Elevator question. It is that of government ownership and operation by an independent commission. This policy was first enunciated by Mr. Haultain in a speech delivered at Nokomis during March of 1909. This declaration by Mr. Haultain first brought the proposal of government ownership and operation of interior elevators within the arena of practical politics; for he was the first political leader of standing to endorse it. That he took a position which, though advanced, was sound, has been abundantly demonstrated by the recent endorsement of the proposal by the Roblin government in Manitoba. Thus in those industrial features, of life which vitally concern the people of the province, Mr. Haultain is abreast of the best thought of the day.

In striking contrast to this positive attitude of the Opposition is the hesitating attitude of the Government. It has no policy on the elevator question. Ten months after Mr. Haultain at Nokomis had declared for government ownership and operation the Government had gone no farther than to admit that there was a grievance and to appoint a commission of enquiry into the causes and the suggested remedy.

It is to be observed that the policy of the Opposition endorses the request which the Grain Growers' Associations have made in their petitions to the Government. They did not ask for a commission of enquiry; they asked for government elevators. The Government has granted them a commission; the Opposition would grant them government elevators.

#### WHAT THE FARMERS REQUESTED

The petition signed by 6,000 persons and presented to the Lieutenant-Governor-in-Council by a representative of the Grain Growers' Associations during the recent session of the Legislature is as follows:

"The petition of the undersigned residents of the Province of Saskatchewan humbly sheweth, that:

"Whereas your petitioners are farmers, and those having business relations with farmers, whose prosperity is interdependent, and your honorable body is aware that the chief product of the Province of Saskatchewan is grain;

"And whereas the storage facilities for grain at initial shipping points throughout the province are practically all under the control of companies who buy and sell, or buy and employ in manufacture and sale that commodity;

3. "And whereas the operation of these storage facilities by private powerful companies for private gain has proved detrimental to the prosperity of the growers of grain throughout the province, by lowering the general level of prices which they obtain for their principal product and therefore detrimental to these industries and businesses whose prosperity is derived from the consuming and purchasing power of the farm population;

"And whereas the monopoly enjoyed by those companies through ownership of the storage facilities makes combination for the control of both domestic and export prices by those companies easy of accomplishment; menacing alike the well-being of the producers of grain and consumers of bread;

"And whereas the only feasible plan for the improvement of affairs is that which has been demanded by the organized farmers of the three provinces of Saskatchewan, Alberta and Manitoba through their associations, namely, that the storage facilities in each province should be owned by the Provincial government and operated by an independent commission as a public utility;

"And whereas a petition similar to this has been, or is about to be presented by and in behalf of the residents of the provinces of Alberta and Manitoba to the respective governments of those provinces;

"Now therefore your petitioners humbly pray that a bill be introduced by your Government and enacted by the Legislature, providing for the acquirement or creation of government-owned storage facilities at initial points for grain shipment throughout the Province sufficient for the requirements of the farmers in the marketing of their grain and for the operation of the same by a commission."

#### MR. HAULTAIN'S ATTITUDE

Speaking at Nokomis, nine months before the petitions of the Grain Growers were presented to the Government, Mr. Haultain dealt with the elevator question in part as follows:

"The declared policy of the party had from the beginning been in favor of government ownership and control of public utilities. There might be some question as to how far the elevator business came within the general term "public utilities," but the conditions existing in the western provinces would warrant the intervention of the government. There was no doubt that owing to causes which he need not elaborate upon, the storage facilities in this province were practically in the hands of a monopoly. The effect of this monopoly was to prevent competition and thereby reduce prices. It had the further effect of depriving the farmer of proper means of storing and shipping his grain and also forced the small producer to sell his wagon load for a small price, on a low grading, with a large dockage. Light weights, low grades, excessive dockage and loss of identity of his product were the evils universally complained of, and there must be some foundation for so generally expressed complaints. It was further stated on good authority that by the culling process the millers were enabled to make large profits out of wheat intrinsically valuable but graded low, and that a portion at least of these profits would be obtained by the producer if he were enabled by proper storage and shipping facilities to sell his own wheat by sample.

"Another effect attributed to this culling process was the lowering of the quality of export wheat, and thus reducing the price of wheat while still in the hands of the farmer. The mono-

poly of the elevators also was said to enable the elevator owners to practically control street buyers and commission men.

### GOVERNMENT ELEVATORS

"The remedy! What was the remedy? Competition! How could that be provided? Apparently not by ordinary means. That being the case, did the circumstances justify the intervention of the government? In his opinion there was only one answer, and that was that they did. He was in favor of the government taking some steps for the establishment of fully equipped elevators at competing points, so as to provide proper facilities for cleaning, storing and shipping grain. The establishment at any point of a government elevator of sufficient capacity, which would furnish facilities for cleaning and shipping the actual wheat of the shipper, would very soon force all other elevators at that point to come up to the government standard.

"The capacity to be supplied by the government, and the points at which elevators should be established, were a matter of detail which could be easily settled if the general policy were adopted. His own opinion was that a resolute policy on the part of the government, followed up by practical action at a comparatively few points would soon force the elevator owners to supply equal facilities. In any event he was prepared to advocate such a policy without regard to the number of elevators involved. It would, in his opinion, have to be carried out by an independent commission, who ought to be able to look for the active co-operation of the Grain Growers' Associations. The government would not be looking for large dividends, and there was no reason to suppose, that an elevator system such as had been described would not easily pay for itself."

### THE GOVERNMENT'S ATTITUDE

The Stewart resolution, adopted last session, is as follows:—

"Your committee on Agriculture and Municipal Law, having heard representations presented on behalf of the Grain Growers' Association in support of provincial action in the direction of providing a system of grain elevators in the province;

"And being convinced that the existing conditions respecting the handling of grain justifies action on the part of the Government and Legislature, towards realizing the objects set forth by the Saskatchewan Grain Growers' Association:

"And having regard to the admittedly numerous and intricate details involved in the solution of a problem of such magnitude;

"Begs to report to the House a recommendation that a commission be appointed by the Government for the purpose of making searching inquiry into proposals looking to the creation and operation of a system of elevators to effect the objects outlined by the Grain Growers' Association and to report its findings with all convenient speed so that action may be taken to give relief during the coming grain season.

### MR. HAULTAIN'S COMMENT

During the course of the debate, Mr. Haultain, among other things, said: "Personally, I have come to the conclusion myself as to what will be the proper way of dealing with this. I believe it has been sufficiently established that evils exist—it has been clearly established that evils exist, and the only way to deal with these evils and remove them is by the intervention of the govern-



ment in the way of a system of government elevators and I should like to see the report of the committee a little more definite on that point.

"The report says" (Mr. Haultain here read the report). "I would like to see the words 'system of government elevators,' because I believe that that is the only thing this report can possibly mean. 'A system of government elevators' to effect the objects outlined by the Grain Growers' Association. If the objects outlined by the Grain Growers' Association can have any other meaning than 'government elevators' then I have altogether misunderstood the position. So I think the house is entitled to, and I think those of us on this side of the House who are prepared to take a broad position on this matter are particularly entitled to know what the government purpose to do before concurring in the report. Personally I do not wish to be a party concurring in this report unless it means business. Not only that the committee has made a recommendation, but that the government intends to carry out that recommendation so far as it is possible. And I have no fear of the result if the government will undertake to do what will be pointed out by any commission that may be appointed. I am so confident of what is the real remedy and so assured of the proper mode of dealing with this subject that I cannot conceive of any other solution being offered of this evil than the establishment of a system of government elevators."

#### THE OPPOSITION'S POSITION IN 1908

In proposing a committee of enquiry the government is in the position that the Opposition had arrived at in 1908. In the spring session of that year, Dr. Ellis, the member for Moosomin, moved the following resolution:

"That the Government be requested to make provision for an enquiry into the question of government ownership and control of interior elevators for the information of the House at its next session."

It was moved in amendment by Mr. Langley, seconded by Mr. Sutherland, that all the words after "That" to the end of the question be left out and the following words added instead thereof:

"In view of the fact that the conference of the Grain Growers' Associations of Saskatchewan, Alberta and Manitoba has expressed a desire to confer with the Premiers of these Provinces, respecting the question of the ownership and operation of interior elevators; and in view of the further fact that the Grain Growers' Association of Saskatchewan has not yet had an opportunity to confer with the Government of Saskatchewan respecting this important matter; therefore be it resolved that in the opinion of this House it would be inadvisable to express any opinion on this problem until the conference asked for has been held."

The amendment was carried on a straight party vote of 14 to 9.

Conferences have been held; the Grain Growers have made plain and feasible proposals and yet the Government expresses no opinion on the matter. It merely asks for time to make enquiries. It has nothing to offer.

## Voters' Lists Bungle

Only One List out of 40 Properly Prepared. All  
Have Been Discarded. \$77,000  
Utterly Wasted.

The gross negligence which is a feature of some departments of the Scott government is strikingly revealed in the preparation of the provincial voters' lists. The Election Act of 1908 provides for their preparation in forty of the forty-one constituencies, Athabasca being the one exception. So negligently has that work been done that in only one case, Regina city, have the provisions of the act been complied with. Hence the other thirty-nine lists are irregular.

The Attorney-General has denied this statement, but his subsequent actions have demonstrated that the contention of irregularity is correct. First, the lists prepared for local option elections, and which were made up from the provincial voters' lists, were validated by special legislation; that is, irregularities in their preparation were made good. Second, by a subsequent amendment sections 15 to 82 of the Election Act, which relate to the preparation and revision of voters' lists, have been suspended until otherwise provided by the Lieutenant-Governor-in-Council; and any election held during the period of suspension will be conducted under the system employed during the election of 1908. In other words, the voters' lists, on which \$77,969 was spent for their preparation, have been discarded. As the bill validating the lists to be used in the seven local option elections of December last was hurriedly introduced three days before polling, and received the royal assent within one hour after its introduction, one may well conclude that the Attorney-General was much alarmed over the matter. If the lists were good, why was the validating legislation necessary?

The contention that the lists are invalid rests upon the following: The registrars did not report within the prescribed time; the revision was not made on "printed" lists as required by the act; the lists were not printed, nor was the revision completed within the required time; in some cases the method of revision was irregular.

### CAUSE OF THE TROUBLE

The whole work of preparing and revising the lists should have been completed by October 22, 1908, the revision being made on the printed lists, but a return submitted to the Legislature at the middle of December shows that the lists for Last Mountain and Saskatoon County had not been printed. Worse still, the return says: "Milestone and Swift Current lists not yet all received from the registrar of voters. Information detailed only relates to the towns of Rouleau, Milestone and Yellow Grass, in the Milestone

electoral division; and to the town of Swift Current in the electoral division of that name." These lists should have been received by the middle of September, 1908.

In Kinistino and Lloydminster, the revising officers had not reported at the middle of December, 1909, though they should have done so by November 1, 1908.

So negligently has the work been done that in only three instances were the lists printed at the date set for the entire completion of the lists. In this connection it must be remembered that the printing is supposed to take place before revision.

#### WHAT THE LAW SAYS

The Election Act provides that on or before August 1, 1908, the Lieutenant-Governor-in-Council shall issue a proclamation announcing the determination to make and revise voters' lists. Registration shall begin within not less than 30 days after the issue of the proclamation. Not less than 10 days, nor more than 15, are allowed for registration. Five days after the close of registration sittings the deputy registrar shall post a list of voters.

Within two days after the last day provided for the lists to remain posted the deputy registrar shall deliver the list to the registrar, who forthwith shall forward it to the clerk of the executive council. That officer in turn shall, within 30 days after he receives the list, have at least 300 copies of each list printed, and "send to each revising officer for the purposes of the court of revision, two copies thereof applicable to each of the electoral divisions for which he has been appointed revising officer."

The courts of revision follow. The judge of the district court is to be the revising officer, and where he is unable to act he may appoint a barrister in his stead. Before the close of the registration proceedings the revising officer shall notify the registrar of each electoral division of the places and dates at which he will hold courts of revision. "Provided that no such date or dates shall be later than two months after the closing of the registration proceedings."

As to the method of revision, Section 61 of the Act says: "The revising officer shall revise the printed list of voters," etc. Subsection 3 says: "Opposite to or at the side of the name of any person struck off the printed list of voters the revising officer shall write the words 'struck off' followed by his initials." Section 76, directing revising officers to see that names which he has decided to remove from or add to the list are removed or added to, begins as follows: "Immediately after the full and final revision of the said printed lists of voters," etc. Upon completing the revision the revising officer shall transmit the list to the clerk of the Executive Council who shall have at least 200 copies printed ten days before the date of an election.

The proclamation was issued on July, 6th, 1908. It fixed August 22 as the last date for the holding of registration proceedings in cities and towns, and August 19 as the last date for enumeration in other districts. This means that the lists had to be printed and sent to the revising officers who had to complete their work by October 22.

#### BUNGLING AND BLUNDERING

The return brought down in the Legislature shows that 25 of the 40 lists were not printed until 1909. Two have not yet been printed. Further, 37 of the 40 lists were not printed or sent to the

revising officer until after the date of the holding of the last court of revision. In only 12 out of 40 constituencies were the courts held during 1908.

The return also shows that on September 13, 1909, Judge McLorg held courts of revision for Arm River, Battleford, Hanley, Humboldt, Saskatoon City and Vonda. Of course it was impossible that he could be in these six constituencies on the same day and the explanation sheds a little light on the matter. The explanation given by the Attorney-General is that Judge McLorg went through these constituencies, noted objections, heard appeals, and on September 13 held a general court at Saskatoon. Such procedure is hardly complying with Sub-section 3 of Section 59 which reads: "The revising officer in fixing the places for such sittings shall have regard to the convenience of voters in attending said courts and shall distribute his sittings in such manner as to obviate the necessity of long distances being travelled to the said courts."

Such were the facts disclosed and the argument presented by Mr. Haultain during his speech on the budget.

The Attorney-General's defence was that the section of the Act relating to the revision being made on printed lists is only directory, not mandatory. He also contended that as far as the time limit fixed for the work of revision was concerned the revising officers complied with the Act if they held their first court within sixty days after the close of registration proceedings. That is, that by adjournment, these sittings could legally be extended over an indefinite period and might be going on yet. Such an argument is manifestly absurd; for Section 15 calls for the setting in operation on or before May 1st, 1909, of the machinery for the annual revision. Thus, not only had the work on the preparation of the lists to be completed by that date, but the preliminary work on the second revision had also to be begun.

## Lands for the University

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### Legislature Adopts Opposition Resolution Requesting Dominion Grant. How the University is Hampered.

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Fully alive to the importance of education, the Opposition has been specially active in the endeavor to procure an adequate and ample provision for, not only the present, but future needs of the Provincial University, a matter which has been sadly neglected by the Government. Dr. Elliott, the member for Moose Mountain, has taken the lead in this matter and during the session introduced a resolution requesting the Dominion Government to make a land grant, the proceeds from which would be adequate for University maintenance. This resolution, which passed the House unanimously, is as follows:

"That in the opinion of this House, the Parliament of Canada should, out of the public domain, make a suitable land grant for the endowment of the University of Saskatchewan."

#### NO PROVISION MADE

The autonomy terms contain no provision for University expenditure. The proceeds from the School Lands fund are applied to primary education. In other words, the Dominion government, which has retained the lands of the Province, has made no provision for the expense of carrying on the work of the University. Aside from the sum voted annually by the Legislature, the University has only three sources of revenue: the Succession Tax, 5 per cent. of the proceeds of the Supplementary Revenue Tax, which is not always paid; and fees, which cannot be large. In consequence the expense of building and maintaining the University falls upon the people of the province in the form of a direct tax, which this year (1910-11) will amount to \$36,000. In addition to this amount, which is merely for maintenance, \$400,000 has been voted for buildings and grounds. And this is only the beginning of this expenditure. If the University is to compete with the great Universities it must spend large amounts for equipment and maintenance. The University of Toronto received nearly \$350,000 last year from the Succession duties. The estimate from this source of revenue in Saskatchewan this year is only \$5,000.

During the course of his speech on his resolution, Dr. Elliott quoted figures showing that six universities in the United States have annual revenues exceeding \$1,000,000. That of Toronto University is over \$700,000. Large though these sums may seem, they are continually growing. During the period 1896-1906 the annual incomes of ten universities in the United States increased from \$1,689,200 to \$4,577,700, or 171 per cent.

## U. S. GOVERNMENT AID

In the United States the federal government, while it has retained control of the public lands, has made generous provision for higher education, a portion of the School Lands fund being applied to that purpose, while specific grants for colleges and universities have been made from time to time. In 1862 through the Morrill act, each state received lands amounting to 30,000 acres for each representative in congress. This grant was for colleges of agriculture and the mechanic arts. It has been extended to states subsequently admitted to the Union. In 1890 the principle in the Morrill act was extended through the Nelson act. The Morrill fund was worth annually about \$25,000, but the Nelson act increased it to \$35,000, and in three years it will be worth \$50,000. There is also the Hatch fund for the maintenance of an agricultural experimental station in each state. Its original value was \$15,000 annually, and now it is \$30,000. Thus in these two funds the annual subsidies granted by the United States government to the states for higher education amount practically to \$80,000 per annum. In the western states the total land grant for higher education is not less than 300,000 acres in each case.

The State of New York has received a land grant of 800,000 acres; Pennsylvania, 700,000, and Ohio, 400,000 acres. The United States Government has paid in cash to colleges, \$15,000,000 and granted lands valued at \$16,000,000. Its cash grant in 1908 was \$2,500,000.

In 1907 the British Columbia legislature set aside for the provincial University a grant of land not to exceed 2,000,000 acres.

The land endowment of the University of Toronto is about 500,000 acres, and the University Commission asked for 1,000,000 acres more.

In 1883 the Dominion parliament made a grant of 150,000 acres to the University of Manitoba. No provision has been made for the University of Saskatchewan. Its interests, neglected in 1905, have not been cared for sufficiently since, and it has remained for the Opposition to take such steps as would probably lead to the securing of suitable provision for its maintenance.

What better authority could be cited in support of such action than Hon. Edward Blake, who in 1885 spoke as follows in the House of Commons on the Manitoba grant?—

"Since we hold their lands it is fit that as we reserve lands for schools, so we should reserve lands for a university. But my opinion is that the scheme, the terms upon which, these lands should be held, they also being treated as a sacred trust, ought to be settled by the people of Manitoba themselves and not by this administration."

## Government Hail Insurance

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### Scott Government Votes Down Proposal Favoring Government Insurance Under Control of a Commission.

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In the matter of Hail Insurance, the Opposition has stood consistently by its early declaration in favor of government control of public utilities. During the session of 1908-09 it strongly opposed the action of the Government in abolishing the system of Government Hail Insurance which had been in operation for several years to the undoubted benefit of the public. On the motion to read the bill a second time, Dr. Elliott moved, seconded by Mr. Gillis, that it be given the six months' hoist. On a straight party vote, the amendment was defeated and Government Hail Insurance abolished.

During the recent session, the Opposition returned to the attack, Mr. Gillis introducing the following resolution:

"That in the opinion of this House, the Government should introduce legislation establishing a system of Government Hail Insurance under the administration of an independent commission."

Speaking to his motion, Mr. Gillis said that much of the dissatisfaction that had attended the old system had arisen out of the fact that the Government dealt directly with the insured. This sometimes accounted for abuses in administration, which could be prevented by placing the business in the hands of an independent commission. He quoted statistics to show that in 1908 the Government issued 6,049 policies covering 850,000 acres. In 1909 private companies issued 7,639 policies covering 1,000,000 acres.

Hon. Mr. Calder was not in favor of changing the present system, at least, not now; for, as far as he knew, the companies had given satisfaction. He admitted, however, that there was some complaint respecting rates. He considered that it would be well for the government to gather information respecting the matter, with a view to a possible change in method, and he introduced an amendment to that end. The amendment was carried on a straight party vote. A return to Government Hail Insurance was by this act indefinitely postponed.

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### Manitoba Grits Want Lands.

The following resolution was adopted by the Manitoba Liberals in convention in the early part of 1910:

"That the Liberals of Manitoba, in convention assembled, believe that a satisfactory adjustment of the boundary question consists in the acceptance of the extension of the boundary as offered by the Dominion Government, provided it is accompanied by the transfer to this province of the lands, minerals, timber, fisheries and other natural resources of the added territory."

## School Book Contract

Manitoba Pays 70c Per Set. Saskatchewan Pays  
\$1.00—Prices Prove Morang Contract Profligate.

Ontario pays 49 cents a set for School Readers.

Manitoba pays 70 cents a set for hers.

Saskatchewan pays \$1.00 a set for hers.

What better vindication could be asked for Mr. Haultain's contention that the Morang contract was both profligate and improperly concluded?

The public is not so much concerned with the findings of a commission appointed by the persons on trial to investigate charges named by those whose actions have been the subject of criticism. To the public, the chief consideration is that Ontario pays but one-half and Manitoba one-third less than Saskatchewan pays for school readers. These statements are uncontrovertible.

The appended figures show the difference in prices:

	Saskatchewan	Manitoba	Ontario
Primer	13.6	9.2	4
1st Reader	16.8	11.2	6
2nd Reader	18.9	13.2	9
3rd Reader	23.7	17.7	14
4th Reader	27.3	18.5	16
	<u>\$1.00</u>	<u>\$0.70</u>	<u>\$0.49</u>

The contention that the Saskatchewan readers are superior to those of other provinces is idle. They certainly are not superior to those of Manitoba. Indeed, experts say that in point of matter they are inferior to the latter. Yet the Saskatchewan government pays \$1.00 per set while the Manitoba government pays only 70 cents.

It is further to be remembered that the Morang Company tendered for the Manitoba contract, but failed to get it; Messrs. Nelson and Son being the successful tenderers. If the Morang readers are so superior and so cheap, how is it that Nelson and Son could produce a set which, in the opinion of competent judges is not only superior, but is sold at a price which is one-third less than that of the Morang readers? The Nelson readers contain more pages than do the Morang. The comparison is as follows:

	Sask. Pages	Man. Pages	Ont. Pages
Primer	100	96	96
1st Reader	144	144	122
2nd Reader	224	240	218
3rd Reader	388	384	346
4th Reader	416	416	416
	<u>1,272</u>	<u>1,280</u>	<u>1,198</u>



## Politics Affect Railways

### How Scott Government Forced Canadian Northern to Divert the Maryfield Extension Line Under a Veiled Threat.

The railway policy of the Government is used for political purposes. The railway map issued by the Government during the campaign of 1908 was also used for political purposes. If proof is required for these statements one has only to point to the communities of Manor and Weyburn.

The facts of the Manor case were put before the public by Mr. A. B. Gillis in a short speech on a motion for a return showing all papers relating to the original location of the Maryfield extension of the C.N.R.

Briefly the facts are: Assurance was given that the road would run through Manor. It was diverted to run through Carlyle. The C.N.R. solicitor intimated before the Minister of Railways that his company would build through Manor, but that if it did the Government assistance would be withdrawn.

On the railway map the road was outlined as running through Manor, and persons canvassing in the interest of Mr. J. D. Stewart, the Liberal member for the constituency of Cannington, in which Manor is located, used this fact as one of the strong arguments why he should be supported by the residents of that community, and the adjoining country. Mr. Stewart did not himself make a direct promise to the people of Manor, but he caused the maps to be circulated among them—gave them himself to a worker named Moore—and indirectly gave endorsement to this particular appeal. This statement is supported by affidavits and a resolution adopted at a meeting of the Manor citizens.

#### MANOR PEOPLE AROUSED

From that resolution the following extracts are reproduced:

"Whereas, previous to the election for the Legislative Assembly of the Province of Saskatchewan in the year 1908, maps or plans of the proposed lines of railroads were circulated among the electors of the Cannington and Souris electoral districts and more particularly among the electors of the polling divisions tributary to Manor, Arthur, Dalesboro, Donaldson and Douglaston, showing that the Maryfield-Lethbridge line would cross at Manor, and

"Whereas electors of the said polling divisions were assured by parties canvassing their votes for the return as a member of the said Legislative Assembly of John D. Stewart, the present member of the said Legislative Assembly, for the proposed Maryfield-Lethbridge line would be built as marked on the said maps and therefore, via Manor, and

"Whereas some of the said parties canvassing were Hume

Robertson, L. C. Porteous of Carlyle, J. H. Moore of Manor, and the said John D. Stewart himself, and

"Whereas the said maps or plans were therefore the means of securing the votes of a larger number of electors in the said polling divisions for the return as a member of the said Legislative Assembly of the said John D. Stewart, who would or might have voted otherwise against the said John D. Stewart," etc.

In an affidavit, Joseph H. Moore of Manor, who canvassed for Mr. Stewart, makes the following statement:

"2nd—Shortly previous to the said election I met John D. Stewart, the present member of the Legislative Assembly of the Province of Saskatchewan and discussed with him election matters generally. I stated to him that he would have a hard proposition in obtaining votes in and around Manor. He, the said John D. Stewart, then said to me: 'I have some maps which I will give you and which you can distribute among the electors in and around Manor.' He, the said John D. Stewart, then left me for a moment to get some maps, a bunch of which he handed to me when coming back. The maps hereto attached and marked 'exhibit A' to this my affidavit, is a true copy of the maps herein mentioned.

"3rd—He, the said John D. Stewart, left me then on the impression that the projected road marked in red on the said map would be built through Manor."

#### SCOTT GOVERNMENT INTERFERES

The elections were held and in due course construction work on the Maryfield extension was undertaken. But the people of Manor to their surprise and consternation found that the road was not to be built through their community, but through Carlyle. They immediately began to protest through a public meeting, and afterwards through a deputation which waited upon the government at Regina. Subsequently they sent a representative to Ottawa to lay their case before the Minister of Railways. All these efforts were of no avail. The Provincial Government had decided that the road should be built through Carlyle and through that community it was going.

On arriving at Ottawa, Mr. McDiarmid, who was Manor's representative, retained the services of Mr. W. L. Scott to lay the community's case before the Minister of Railways. In a communication to the Village Clerk of Manor dated Ottawa, June 18th, 1909, Mr. Scott says:

"With Mr. McDiarmid's assistance I made I think a very strong presentation of the claims of the Village of Manor and I got the railway people to admit that if they were allowed to do as they pleased they would build the line via Manor. Carlyle was represented by Mr. Fraser who made as strong a fight as he could under the circumstances. It seemed to me that the argument was entirely in our favor in every point excepting, of course, the most important one of all, namely, the attitude of the Local Government. Counsel for the Canadian Northern stated that the Local Government had intimated that they wished the line built via Carlyle, and that while the Government had not stated in so many words that they, if this request was not complied with, would refuse to guarantee the bonds, yet their intimation to the Company amounted to that. Had that element been out of the way, the Minister would, I have no doubt, have at once decided in favor of the Manor line. As it was he reserved his decision expressing his intention of considering the matter carefully in all its aspects. In view, how-

ever, of the attitude of the Local Government, I can hardly hold out much hope that the railway will be permitted to build through Manor."

In another communication dated June 28th, 1909, Messrs. Ewart, MacLaren, Scott and Kelly informed the Village Clerk of the decision of the Minister of Railways in favor of the Carlyle route. They say:

"You must blame your Local Government for the preference given to the Carlyle route. As mentioned in our previous letter, the argument was, we think, overwhelming in favor of the Manor route, but the Minister was disinclined to force the railway company to adopt the Manor route when, as their counsel stated, they would probably forfeit the guarantee of their bonds promised by the Local Government."

#### SCOTT FORCED THE C. N. R.

That the Scott Government forced the hands of the C. N. R. is evident from the following wire from Mr. D. D. Mann. Remember, that on the Government's railway map, the line was shown as running through Manor.

Telegram.

Toronto, Ont., May 22, '09.

Hon. Walter Scott, Regina, Sask.

Engineers report re Maryfield line. Having surveyed thoroughly as far east as Redvers and as far west as Arcola, that only feasible route is via vicinity of Manor and say that all routes will have to come the same crossing of Moose Mountain Creek, and that it will lengthen line at least four miles if any other route is settled; any other line will also necessitate heavy grades making expensive operating for all time and will no doubt ultimately result in changing line to Manor route. Strongly advise you approve of location as recommended by McLeod.

D. D. MANN.

#### Re Canadian Northern Railway—Maryfield Branch

Regina, June 12, 1909.

Dear Mr. Graham:—

The Province of Saskatchewan has guaranteed bonds (\$13,000 per mile) for this line and our action was taken on the understanding that the road should run via Carlyle.

The Company has requested your approval for the route via Manor on the C.P.R. Arcola road. We have pointed out the error and the Company are now working making amendment to their application accordingly.

Grading outfits are now on the ground ready to start work and the season is already well advanced. This road westward from Carlyle, and especially the portion west of its Soo line crossing, will serve districts which urgently need a railway. For these reasons I urgently hope that you will make a point of permitting no delay in the matter of approving the route.

Will you kindly wire acknowledgement of this letter with, if possible, an intimation of the position and prospects of the application.

Believe me,

Very sincerely yours,

(Signed) WALTER SCOTT.

Hon. G. P. Graham,

Minister of Railways and Canals,

Ottawa, Ontario.

All this made the people of Manor very angry, so much so that in another part of the resolution already quoted, they expressed themselves thus:

"Whereas, therefore the electors of the polling divisions tributary to Manor, Dalesboro, Arthur, Douglaston and Donaldson have been deceived and are being unfairly dealt with by the said Local Government," etc.

What defence did the Government offer? Mr. Stewart alone was put up. He took upon himself all blame for the diversion of the road and said it had been done for the general benefit. He said that he had very little faith in railway maps in general, and that it was with such feelings he had regarded the map of 1908 when he saw it. No member of the Cabinet offered the least explanation or defence.

A pretty state of affairs it is when a government can divert a line of railway which it has announced its intention to build, and at the same time threaten the constructing company that if it does not accept the diversion, assistance will be withdrawn.

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#### INCREASE IN RAILWAY MILEAGE.

Being Minister of Railways, Mr. Calder takes much pride in the railway policy of the Government. At Rosetown recently he boasted of the increased mileage during the last four years and six months. Of course it was represented that this increase was directly attributable to the Government. Honor to whom honor is due, and by all means let the Scott Government have what credit belongs to it, but only a moment's reflection will show that only a small portion of the mileage added since 1905 has been due directly to the policy of the Government. The railway policy was not announced until July, 1908, and was not embodied in legislation until 1909. What was the immediate effect? Instead of immediately increasing the construction mileage that year over previous years, it was found to have had a contrary effect, less mileage having been constructed during 1909 than during the previous year. The figures are:

In 1908, before the railway policy was announced, there was constructed in Saskatchewan 713 miles of track, while in 1909, under the railway policy, the new mileage was only 318.

## Agricultural Societies' Grants

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### Lack of Money Renders Necessary Heavy Reductions in the Old Grants to Agricultural Societies.

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An amendment to the Ordinance of 1903 respecting grants to Agricultural Societies materially reduced such grants last session. By the terms of the Ordinance each agricultural society having at least 50 paid up members, and holding two meetings a year, received a grant of \$1.00 for each member up to 150.

The amendment provides that each society shall have at least 150 paid up members; the sum to be paid being 50 cents a head for each member up to 200. Thus the number of members requisite has been raised from 50 to 150; while the grant has been reduced from \$1.00 to 50 cents a head. Ten dollars each is also to be paid for two meetings during the year as provided for in the Agricultural Societies' Act.

The Ordinance provided for a grant of \$5 for each agricultural experiment carried out under the direction of the Department of Agriculture.

The amendment restricts the number of such experiments to ten and confines this grant to the year 1909.

The Ordinance provided that each agricultural society or company holding an exhibition the total expenditure of which for prizes exceeded \$250, should receive a grant equal to two-thirds of the amount actually paid for prizes, the total amount paid for prizes not to exceed \$1,000.

The amendment raises the amount of prize money from \$250 to \$600, the grant being, as before, two-thirds of the amount actually paid for prizes—but note the provisos below:

By the amendment a few new grants have been added for events held in the preceding year. They are as follows:

For good farming, or standing fields competition or ploughing, match at which \$50 in cash prizes are offered, a grant of two-thirds that amount, the total grant not to exceed \$65.

For live stock judging competition, at which \$15 cash prizes are offered, a grant of two-thirds that amount up to \$15.

For a spring stallion show at which \$100 in prizes are offered, a grant of two-thirds that amount up to \$135.

For a seed grain fair or poultry show, or both combined at which cash prizes of \$50 are offered, a grant equal to two-thirds that amount up to \$50.

The new grants, however, are subject to many conditions which lessen their importance, of which the following are some:

The total grants payable to any agricultural society shall not exceed \$1,000.

After November 15th, 1910, a society that has been in existence five years can only collect 75 per cent. of the grants.

Grants for meetings addressed by speakers supplied through the director of agricultural extension work or other educational work shall not be paid if in the opinion of the director the meeting does not fulfill the object for which it is called.

When any society holding an annual exhibition has, during the same year, held a spring stallion show, or a poultry show or any other exhibition at which prizes are offered for classes similar to those for which prizes are offered at the annual exhibition, the prize money paid for such class at the exhibition shall not be included in the amount upon which the exhibition grant is based.

## "Pap" for "The Leader"

### Premier Scott's Personal Organ Draws on the Province to the Extent of \$40,000 per Annum.

While the school grants and grants to agricultural societies are being cut, the Government press is being well looked after. The Leader, Premier Scott's personal organ, has received \$151,000 from the Government in a little over four years. The following figures are from a return laid on the table of the House during the session. By way of explanation, it should be said that there are two companies; The Leader Publishing Company, and The Leader-Times Company. Until 1907, it was the Leader-Times Company only. The "Times" of Moose Jaw is still published by that company. Payments to the Leader-Times Company, Regina Office,

Fiscal year 1905-06-07, Printing and Advertising \_\_\_\_\_ \$13,640.86

Leader-Times Company, Moose Jaw Office, Advertising:—

Fiscal year 1905 _____	\$ 53.85
Fiscal year 1906-07 _____	287.98
Fiscal year 1907-08 _____	216.36
Fiscal year 1908-09 _____	785.03
Fiscal year 1909-10 _____	126.64

1,469.86

Leader Publishing Company, Regina:—

Fiscal year 1906-07, printing \$6,495.97; advertising, \$284.56 _____	6,780.53
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Fiscal year 1907-08, printing \$33,600.16; advertising, \$316.40 _____	33,916.56
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Fiscal year 1908-09, printing, \$59,527.81; advertising, \$441.12 _____	59,968.93
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Fiscal year 1909-10, printing \$35,901.81; advertising, \$246.71 (9 months) _____	36,148.52
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Total _____	\$151,925.20
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# The School Lands

Joint Demand for Their Control by the Provinces  
Agreed upon; but Suddenly Ottawa  
Called it Off.

The question of obtaining control and administration of the school lands fund has been discussed informally by the Government with the Federal authorities and the Governments of Alberta and Manitoba.

Such was the reply made by Mr. Calder to a question put by Mr. Haultain as to whether any steps had been taken to obtain control of the school lands and school lands fund. Respecting the school lands, he said no action had been taken. As to whether the Government would ask for control and administration of them, that matter was under consideration.

In the early seventies, the Dominion Parliament set aside for school purposes, two sections in each township in Manitoba and the Northwest Territories. It was stipulated that these lands were to be sold at auction and the proceeds invested in Dominion securities, the return from this investment going into the school lands fund. The net return to the provinces is about 3½ per cent.

Mr. Haultain has long held, and on several occasions while Premier of the Territories, urged on the Federal government that both the school lands and the school lands fund should be transferred from the Dominion to the Western governments. He rightfully held that they were as capable of administering this business as is the Dominion government; while they could invest the proceeds much more advantageously in securities equally as good as those of the Dominion.

The Opposition has thus educated public opinion to such a degree that even the governments of Alberta and Saskatchewan, which hold the opinion that the public lands can be administered much better by the Dominion than by the provinces—are now found making representations to Ottawa for the control of a very considerable portion of the public lands; for the school lands are public lands. This change of attitude on the part of these governments is a splendid vindication of the Haultain land policy.

## DEMAND AGREED UPON

Though Mr. Calder said that the matter was only under consideration there is evidence that the Scott government had definitely decided to join with the governments of Alberta and Manitoba in requesting the administration of the school lands. Hon. R. Coldwell made an announcement to that effect last fall. It was not denied; indeed, the Regina Leader confirmed it.

Commenting on this subject, the Leader in its issue of October 11, 1909, said:

"As will be seen by the sections of the Dominion Lands Act, quoted above, it is stipulated by law that the principal sum of this fund (school lands fund) shall be invested in 'securities of Canada.' These bear a low rate of interest, and as it is merely the interest from the investment of the principal that is available for the purposes of education, the three provinces interested are advocating a change by which they will have the control of the lands and funds inasmuch as they can easily invest the principal in such a way as to realize a much larger rate of interest than is obtainable from Dominion securities."

It is plain to every one that such a request is directly contrary to the principle underlying the lands settlement in the Saskatchewan Act, and the Laurier Government at Ottawa decided that it had better speak plainly to the Scott and Rutherford Governments. Accordingly the Ottawa Free Press, which is one of the leading Liberal organs, criticized this request very sharply as the following despatch shows:

#### Reprimand From Ottawa

"Ottawa, October 9—The Evening Free Press, the Government organ, commenting on a despatch from Winnipeg to the effect that the three prairie provinces will make a united appeal to the Ottawa authorities for the right to administer their own school lands, says:

"Should this statement prove correct, it will produce a most remarkable situation. Two of these provinces, Saskatchewan and Alberta, accepted autonomy upon the basis that they should receive revenue from the Dominion which should administer their school lands. The politicians in Ottawa cannot see any reason for a change at the present time. The subsidies for the provinces will have to be redistributed for the census of 1911, and it would not be surprising if the answer of the Dominion were to be that the West must await until that time for any discussion of financial arrangements."

The Leader replied to this criticism in an angry manner, saying in part:

"We believe the people of Saskatchewan are just as honest, just as capable, just as far-seeing as those of any other province. We believe that the Legislature of Saskatchewan is just as trustworthy as the Dominion Parliament. We have just as much confidence in the ability of provincial institutions to protect our interests, both present and prospective, as we have in federal institutions. The whole point of the request for provincial control of the school lands and school lands fund is that we should obtain a larger rate of interest upon the investment of the principal sum of that fund than is possible under the existing law, while at the same time the security would not be lessened."—Leader, December 18, 1909.

What better endorsement of the general principles of the Haultain land policy could be desired? If it is advisable that the Province should administer a part of the public lands, namely, the school lands, is it not equally advisable that the Province should administer the whole of the public lands?

But suddenly the subject was dropped. Undoubtedly the Ottawa authorities gave an unmistakable hint that the demand was objectionable.



## Political Road Gangs

### Story of How Government Laborers were Used to do Election Work in Constituency of Moosomin.

It is well known that during the general election of 1908 the Government road and bridge gang were openly employed, for election purposes by the Liberals. They were switched into constituencies where the result was in doubt, in order to turn the scale in favor of the Government candidates. They were also engaged in all kinds of election work, from directing the organization to driving voters to the polls, during which time they were paid out of the public treasury.

A number of these men did not receive from the Liberals the return which had been promised them, either in actual cash or by other methods of payment. Several of these cases have come to light, one of which is that of four men in the Moosomin district, who were so annoyed at the treatment they received that they threatened to make disclosures if their claims were not paid. After much correspondence, the matter was settled by the Deputy Commissioner of Public Works authorizing payment.

The following communications were brought to light by Mr. A. B. Gillis in the Public Accounts Committee.

#### FOREMEN IN POLITICS

The road foreman in question was E. Hoyt. The members of the gang were: W. Wickman, W. Mathews, D. Briggs and James McDougall. As will be seen from the correspondence, Hoyt had an understanding with these men to make a trip of 250 miles in connection with election work. They were to draw their regular pay for this, but were only sent \$1.50. Hence the correspondence.

The first letter is from William Wickham addressed to the Deputy Commissioner of Public Works, Mr. F. J. Robinson.

Brookside, Nov. 11, 1908.

Dept. Com.

Regina.

I received a cheque for \$1.50 and am surprised at you thinking I could accept a trifle like that for driving voters about 260 miles, especially when I was ordered to do it on full pay and may say that you would save me a lot of trouble as well as saving yourself trouble by sending me the full time for that drive which is 85 hours at \$38.25. Hoping to receive this and also other balance due me by return mail.

Am yours truly,

(Signed) WM. WICKHAM.

No returns were forthcoming and David Briggs writes the department and his letter is followed by one from the father of Wm. Wickham, which makes interesting reading.

Department Public Works,  
Regina.

April 6, 1909.

Sir—Hoyt sent me the pay sheets to sign but I cannot see my way to sign it, as there is 8½ days short, that is, from noon of the 11th August till the 21st August, that is the time when he sent four of us to drive to Moosomin, he told us our time and pay would go on just the same till we came back.

(Signed) DAVID BRIGGS.

Brookside, Dec. 4, 1908.

F. J. Robinson:—

Referring to yours of the 4th inst., re dispute between your road foreman, Mr. Hoyt, and four of his men, one of whom is my son, I may tell you to start that the reason the men did not get theirs from Mr. Hoyt was simply because Mr. Hoyt and those men were not friends, and you are in a fair way into a public scandal if you do not pay those men at once for the time they lost as they will give the collection of their wages into the hands of Counsel, who will not be favorable to our party. At the request of Mr. Hoyt, Mr. Wm. Matthews and my son took a horse and took a drive home in a rig that was paid for by your department, taking another man with them. They were kept out of their wages simply by Mr. Hoyt's crookedness, for those four men, my son, D. Briggs, Wm. Matthews, Jas. McDougall, made an agreement with Mr. Hoyt that they would get their time in full while away to vote. You have sent my son \$1.50 on account of that lost time which is an acknowledgement on your part of some obligation in the matter. You say in yours of the 4th inst., that this is a matter altogether between those men and Mr. Hoyt, but if you let the case go to court you will find that it will be made more than a case between Mr. Hoyt and the men, and it will be in every Conservative paper in the land and will go to prove their charges at the Provincial election, that bridge and road men elected the Government—most then that our party stands to have the votes of those men for all time to come.

Now, sir, the simple facts of the case are that your foreman agreed with those four men to make a trip of 250 miles for which he promised them their regular pay to which they will all swear. Now, then, are you responsible for your foreman or not? That's all there is to it. I might further add that to pay a man \$1.50 for a 250 mile trip seems to me ridiculous. Whatever way it appears to a judge you cannot expect working men to be done in that way and take no action in the matter. Hoping that you will do justice to those men before it goes any further.

I remain, yours respectfully,

R. WICKHAM.

These letters did the work, as is shown by the following to Hoyt and Wickham, from the Deputy Commissioner:

April 20th, 1909.

Sir:—Herewith copy of letter received from W. S. Wickham, of Fairmede, re his time for August 14th lost. Upon looking up your pay sheets I find that this party was not paid on that date and I wish you would be good enough to make out the time on the enclosed

set of pay sheets and forward them to the Department as soon as possible.

Your obedient servant,

E. Hoyt

Deputy Com.

April, 20th, 1909.

Sir:—Replying to your letter of the 4th inst., re payment done by you on August 14, I have to advise you that pay sheets for this date are being put through for you and cheque will be made to you in due course.

Yours,

Deputy Com.

R. S. Wickham, Fairmede.

This is only one instance of the work done by the switching of road gangs. Regina city was flooded with these men and other districts as well. In this case votes came high, as it was an eight day trip. The government's majority was obtained by road gangs, survey parties, etc., and at the expense of the people.

## Calder's "Fairy Tale."

At Rosetown, Hon. Mr. Calder asserted that it was an "old fairy tale" to say that the Province only receives \$375,000 a year in lieu of lands. He knows full well that after March of this year the Province will not receive a larger sum than this in lieu of lands. True, for five years, from September 1st, 1905, it receives \$93,750 annually as a grant for public buildings; but that is only a temporary arrangement. The point to be remembered is that until population reaches 400,000 the Province only receives \$375,000 a year in lieu of lands. But this financial juggler represented to the people of Rosetown that the Province received \$545,152.38 last year "on account of lands," as The Leader has it. Note the phrase—"on account of lands." It is on these particular words that Mr. Calder works. This amount is made up from three sources: the land subsidy, the public buildings grant and the school lands fund payments. In including the last mentioned payments in the land revenue, Mr. Calder must have presumed on the credulity of his hearers. No person knows better than he that the moneys received from the school lands have nothing whatever to do with the land terms of the Saskatchewan Act. The land subsidy is \$375,000 a year; and any attempt to make it appear to be \$545,000 is base deception, even though the attempt be made by a Cabinet Minister. The school lands trust was created in the 70's; the subsidy in lieu of lands was fixed in 1905.

It is observed that Mr. Calder now speaks of the school lands fund as a splendid endowment; but only last fall he was of the opinion that the revenue therefrom was so small that he had practically concluded arrangements with the Governments of Manitoba and Alberta to demand provincial administration of this fund. Why? Because the Governments of the prairie provinces were not receiving sufficient from it.

# School Grants Reduced

## Government Cuts Them Down 30 per cent. Statement Showing Old and New Grants in Many Districts.

By an amendment to the School Grants Ordinance of 1901, the grants to schools were, during the session, cut on an average of 30 per cent.

Mr. Haultain, Dr. Elliott and Mr. Gillis protested strongly against any reduction; but their protests were of no effect. Dr. Elliott moved, seconded by Mr. Gillis, the following amendment:

"This House does not approve of any reduction being made in the amount of the legislative grants to schools in the Province."

The amendment was defeated on a straight party vote.

The following statement shows the grants paid under the School Grants Ordinance of 1901, and what will be paid under the amendment of last session:

### ORDINANCE OF 1901

#### Rural School Districts

(a)—Each district containing 6,400 acres of assessable land received \$1.20 for every day school was open. If the area was more than 6,400 acres the grant was decreased by one cent a day. If the area was less than 6,400 acres, the grant was increased by one cent a day for every 160 acres. No school district was to receive less than 90 cents a day.

(b)—Forty cents a day to each district whose school was kept open more than 160 days, the extra days not to exceed 50.

(c)—Ten cents a day to each district engaging a teacher holding a first-class certificate.

(d)—From 5 to 25 cents a day on a percentage of attendance ranging from 40 to 100 per cent.

(e)—Fifteen cents a day for the maintenance of a minimum

### PRESENT GRANTS

#### Rural School Districts

(1)—Seventy-five cents a day for every day school is open.

(2)—Twenty-five cents additional, for every day over 160; additional days not to exceed 50.

(3)—Ten cents a day additional for the school employing a teacher holding a first-class certificate.

(4)—New schools: 1st year, 40c a day additional; 2nd year, 30c a day additional; 3rd year, 20c a day additional; 4th year, 10c a day additional.

(5)—Districts 7,000 acres or less, 20c a day additional; over 7,000 acres and not over 8,000, 15c a day additional; over 8,000 acres and not over 9,000, 10c a day additional; over 9,000 acres and not over 10,000, 5c a day additional. These grants are pay-

standard of efficiency based on the inspector's report:

#### Village and Town Districts

(a)—Ninety cents a day for every day school was kept open.

(b)—Ten cents a day to each district employing a teacher holding a first-class certificate.

(c)—From 5 to 25 cents a day on a percentage of attendance ranging from 50 to 100.

able only for 1910 and 1911. Thereafter, such districts of 8,000 acres or less will receive an additional 10c. for every day school is open.

#### Village and Town Districts

(1)—Seventy-five cents for every day school is open.

(2)—New schools: 1st year, 30c. additional for every school day; 2nd year, 15c. additional for every school day.

(3)—Ten cents a day additional for teacher holding first-class certificate.

(4)—Sum of ten cents a day additional for every day a school-room is kept open for pupils above grade VII., daily attendance to be twelve.

#### Average Grant During 1908— Rural Districts

On assessment, per day	.98
On attendance, per day	.18
Extra days and first-class teacher	.06
Inspection	.06

Total aver. grant per day, \$1.28

#### Average Grant Under New System

##### Rural Districts

Principal grant, per day, 79c.

The other grants will, according to Mr. Calder, bring the average total grant to between 90c and \$1.00.

Average reduction in town and rural districts, 30 per cent.

Average reduction in city schools, about 35 per cent.

Below are some examples showing the reductions. These figures were, with a few exceptions, read by Mr. Calder to the Legislature in committee:

#### OLD RURAL DISTRICTS

District	Old Grant (1908).	New Grant.	Reduction
Haver	\$101.01	\$ 68.25	28 p.c.
Fruendenthal	122.82	83.25	29 p.c.
Eye-brow Hill	198.92	138.90	32 p.c.
Valparaiso	136.35	94.50	31 p.c.
Lindsay	163.90	115.50	28 p.c.
Penhold	146.88	97.20	33 p.c.
Rhineland	181.35	116.00	34 p.c.
Roche Percee	253.42	161.50	36 p.c.
Coulmount	216.17	131.00	39 p.c.
Wallace	213.68	132.00	38 p.c.
Sarawak	235.33	147.00	34 p.c.

The above districts will feel the full effect of the reduction having been organized four years or more.

Rural Districts organized three years and entitled to an additional grant for one year.

District—	Old Grant (1908).	New Grant.	Reduction
Blucher _____	\$217.07	\$152.00	30 p.c.
Lipton _____	131.19	102.90	21 p.c.
Kenaston _____	242.20	184.80	23 p.c.
Flegel _____	191.50	152.50	30 p.c.

Rural Districts organized two years and entitled to an additional grant for two years:

District—	Old Grant (1908).	New Grant.	Reduction
Marland _____	\$201.15	\$155.25	22 p.c.
Percival _____	182.21	133.00	27 p.c.
Avonmore _____	200.06	155.60	22 p.c.
Metz _____	214.25	170.00	20 p.c.

#### CITY, TOWN AND VILLAGE SCHOOLS

Place—	Old Grant (1908).	New Grant.	Reduction
Saskatoon _____	\$3,802.63	\$2,460.45	35 p.c.
Summerberry _____	235.33	152.25	32 p.c.
Indian Head _____	1,813.00	1,101.00	39 p.c.
Wolseley _____	1,093.99	749.60	31 p.c.
Whitewood _____	904.09	662.80	29 p.c.
Wawota _____	235.30	157.50	33 p.c.
Yellow Grass _____	708.96	443.75	37 p.c.
Milestone _____	498.60	315.00	37 p.c.
Rouleau _____	654.04	428.25	35 p.c.
Drinkwater _____	239.09	154.50	35 p.c.
Lang _____	474.46	308.75	37 p.c.
Wilcox _____	241.50	157.50	35 p.c.

# Saskatchewan's Northland

## Premier Scott Would Not Agree to Appointment of Committee to Investigate its Great Resources.

Among the most notable contributions to the work of the session were two speeches delivered by Messrs. S. J. Donaldson and J. E. Bradshaw, members for Prince Albert district and city respectively, in support of a resolution introduced by Mr. Donaldson asking that a committee be appointed to enquire into the resources of that portion of the Province lying above township 50. Much misapprehension exists concerning the resources of the hinterland of Saskatchewan; and it is in the public interest that such misapprehension should be dispelled. This must be done if the Province is to receive its due share of immigration; for special efforts are being made to divert immigrants to Northern Alberta.

As an evidence of the misapprehension and positive ignorance which prevails on matters relating to the north country, the following is an example, taken from the Regina "Leader" of November 17th, 1905:

"North of Prince Albert there are no arable lands, no prairie lands. The country is covered with poplar forests, lakes, swamps, rocks, etc."

Though the Donaldson resolution was admitted by the Premier to be of very great importance, still he opposed its recommendations on the ground of the expense and also because it was a matter which should be dealt with by the Dominion government. For these reasons he could not see fit to establish a precedent in this case, holding that if the Province undertook such work the Dominion authorities would probably consider themselves released from this duty. Though both Mr. Haultain and Mr. Donaldson pointed out that no considerable expense was contemplated, still the Premier remained obdurate and there was no other recourse than to withdraw the resolution.

It is difficult to understand the Premier's position, particularly when one recalls the following plank in the Liberal platform adopted at Regina during August of 1905:

### LIBERAL PUBLICITY PLANK

"Information Bureau—Resolved, that for the purpose of materially aiding in the proper development and settlement of the Province it is important that a bureau of information and employment should be organized that may co-operate with municipal councils, boards of trade, colonization societies, railway and other companies, and the Department of the Interior, and that may be conducted to bring to the attention of intending settlers the advantages of all parts of the Province as fields for settlement and employment."

As the Donaldson and Bradshaw speeches deal with a subject which has not received the consideration it merits, and as they contain much new and valuable information, they are here reproduced.

Mr. Donaldson's resolution is as follows:

"That in the opinion of this House a select committee should be appointed to enquire into and report from time to time on the extent of the resources of that portion of the province lying north of township 50." In proposing the resolution, he said:

In moving for the appointment of such a committee, I do so firmly believing that we have in our great north land a heritage equal, if not greater, than that of any of the other provinces. Not only is it almost unknown to the rest of Canada, but few in our own province have anything like a true idea of the wonderful country that lies north of the 53rd parallel, of its great areas of farming lands, its timber and mineral wealth. It has been looked upon merely as a preserve for the fur-trader; but the time will come when many thousands of people will make happy homes there, and towns larger than are now to be found in the southern part of this province will spring up with the development of its many and varied resources.

I wish to call the attention of the House to a few facts about the north country which have been gathered from the reports of Dominion government surveyors, and also to statements made to me by traders, missionaries and others who have travelled that country and lived there and who therefore speak from personal observation.

#### REPORTS OF EXPLORERS

Let me deal first with that portion of the country lately explored by Mr. F. J. P. Crean, of the Department of the Interior, and lying between the Churchill and Saskatchewan rivers. His report covers about one-third the area between the 53rd and 57th parallels. This area comprises about 22,000,000 acres and he has classified it as follows: 3,000,000 acres of water, 5,000,000 acres ready for settlement as soon as made accessible by roads; 12,000,000 acres of swamp that could be reclaimed at a moderate expenditure. This would leave only ten per cent. of the land as unfit for cultivation, a proportion that is not exceeded in most parts of Canada, except it be the southern parts of the prairie provinces.

I am dealing at present only with the possibilities of the north as an agricultural country. Two hundred and fifty miles north of Prince Albert at Portage la Loche, oats and barley have been grown. Wheat has never been grown there, but there is nothing to prevent it being done. Owing to the low altitude and long periods of sunlight in the north country, the production of grain is bound to be just as successful as it is 300 miles south. The altitude of Prince Albert is 500 feet lower than that of Regina and Stanley on the Churchill is nearly 300 feet lower than Prince Albert. The following figures will illustrate this statement:

#### SHOWING HOURS OF SUNLIGHT

##### Ottawa

May 1—14 hours, 4 minutes.  
June 1—15 hours, 10 minutes.  
July 1—15 hours, 22 minutes.  
Aug. 1—14 hours, 32 minutes.



### Prince Albert

May 1—14 hours, 46 minutes.

June 1—16 hours, 20 minutes.

July 1—16 hours, 36 minutes.

Aug. 1—15 hours, 24 minutes.

### Portage la Loche

May 1—15 hours, 12 minutes.

June 1—17 hours, 2 minutes.

July 1—17 hours, 8 minutes.

Aug. 1—15 hours, 56 minutes.

Of course we may hear the same old story that the country is too cold to live in; but the same statement has been made about almost every part of the Northwest. However, Mr. Crean's report could hardly be more favorable respecting any part of this province. It must further be remembered that he is speaking of a district which is over 100 miles north of Prince Albert. The report reads:

### "FROZEN NORTH," A MISNOMER

"The climate conditions seemed to be most favorable. The expression—Frozen North—sometimes used is a misnomer. Of course the winter is cold but not any colder than the winter in some of the settled portions of Saskatchewan. In August 1908, a frost occurred in almost all of the settled parts of Saskatchewan but did not apparently affect the northern part which I explored. Locally this frost may have been felt, but it was certainly not felt all over. I was not in the district at the time, but the first frost registered by my thermometer was on October 2, when the thermometer fell to 24 degrees fah. I was at Portage la Loche on September 17, and the potato tops were not frozen in the least. The garden was also quite untouched. Cabbages, carrots, parsnips, etc. all looked well. Nor had I seen any frozen vegetables on the way up. At La Ponge Mission the wheat was touched; but it was grown close to the river and caught any frost there could have been. The vegetables in the garden here were quite untouched and looked well on September 8. The tomatoes had been removed from the garden in case frost might come. The lakes began to freeze on October 20, but remained open for perhaps two weeks, the weather turning quite cold again. There was not sufficient snow to travel with dogs until November 20, and even then there was very little. The snow was not deep until about December 15. The rainfall in this district is ample, though not excessive, and its uniformity from year to year is a valuable feature. As far as I could learn the heaviest rains occur in the early summer just when rain is most needed for agricultural operations. The snowfall is not generally heavy, seldom exceeding 18 inches and as with the rainfall, is uniform."

### SOIL INVARIABLY GOOD

The soil of the north country varies as it does in other parts of the province, but invariably is of good quality. In addition to its value as a grain-growing country, it provides an ideal home for ranchers. Hay is abundant in all parts and there is plenty of shelter. Hundreds of cattle have come from this part of the country this year to provide supplies for railroad construction gangs. In the far north much timber is to be found, though much of it has been destroyed by fire. However, there is still an abundance for

settlers. In the southern part of this area, say 200 miles from Prince Albert, is to be found some of the finest timber limits in Canada. Sir, let me call your attention to some facts relating to the timber industry in this part. The new Cowan mill, 90 miles north of Prince Albert, will cost \$1,000,000. Now, as regards shipments, the Prince Albert Lumber Company shipped this year 55,000,000 feet, and the Sturgeon Lake Lumber Company 6,000,000 feet. Thus with the great Cowan mill still uncompleted over 60,000,000 feet has been shipped out this year.

Of the conditions for ranching, Mr. Crean says:

"Along the Big River in the southern portion of the tract, is a splendid ranching country. Hay abounds and water and shelter are easily obtained. The country is principally open, dotted with bluffs of poplar, and hay is to be had everywhere. The grass cures here and the rolling hills would be blown clear of snow which would afford a winter range for stock almost equal to the Porcupine Hills in Alberta. Farther north, however, the country is too flat until Portage la Loche is reached. The valley of Clearwater River below Portage la Loche would furnish a cattle range that to my way of thinking would be hard to beat. I am informed that there is even a better cattle range in the valley of the Pembina River, southwest of Portage la Loche, but I did not see it. Generally speaking in my opinion, mixed farming would be the industry best adapted to the entire tract explored."

Before dealing with the mineral resources I want to call your attention to the fact that up to the present I have only dealt with the area covered by Mr. Crean. West of this, along the Alberta boundary, is a country of even greater possibilities. It has probably a greater extent of good farming land and, if anything a climate superior to that which I have described.

"Everywhere I travelled there was an abundance of hay and along the main routes hay was stacked in quantities in many places, but always with an eye to proximity to the trail. Sometimes the meadows would be small but always numerous. At Green Lake, there were particularly fine meadows, but I am told that to the west of it is even better."

#### THE MINERAL RESOURCES

Of the mineral resources of the north I have no doubt. Aside from the reports of explorers, which indicate important mineral deposits, I can speak somewhat from experience. During the past year, I, with several others, sent out a prospecting party to the country east of Lac la Rouge. Among other finds reported was that of a seam of graphite said to be four feet square. Asbestos and also copper were found. This country contains gold also. Development has, however, been retarded by the difficulties of getting in. In his testimony before the Senate committee in 1907, Mr. J. B. Tyrrell is reported:

"From a line at Cumberland House on the Saskatchewan river northwestward to the Churchill river, and westward from the Churchill river, the country to the south of that line is underlain by the more recent clay rocks of the plains, and the mineral wealth to be looked for here is coal and iron. He has considerable confidence in both those most useful products being found in that country."

#### NORTH, A GREAT HERITAGE

Mr. Speaker, I have endeavored in a very imperfect way to set before you a few facts relating to the north country. However im-

perfectly it may have been done, I think sufficient has been said to demonstrate that in that country we have a great heritage. However we may disagree as to who should control its resources we will all agree that up there are possibilities for great expansion. Let us familiarize ourselves with these resources and proclaim them to the world. If we would prosper we must advertise. Advertising has made the prairie country what it is today and it will do much for the north country. The day will come when the revenue that will be derived from the north country will do much towards the establishment of many of our provincial institutions and towards placing it in such a position that it can undertake any work that is for the benefit of the people. I have faith in the north country and I desire that everybody in the province and through all Canada and beyond, should know about this wonderful country and I think that this can best be accomplished by a committee of enquiry. Heretofore, nearly all the advertising of the province has been done to the advantage of the southern part of the province, and the time has come when some of this benefit should go to the north.

In the north we have the best mixed farming district in the province. This year 5,000 head of cattle have been shipped out of the district, and almost every farmer possesses a herd numbering from 25 to 300 head. As a wheat growing section, as well, our portion of the province takes no second place. From 20 to 25 bushels to the acre is the yield, and at the Regina grain show some of the first prizes have been taken by grain from the north. Homesteaders find on their own places the lumber for their houses at practically no cost; there is no scarcity of water; and wells can be secured at a depth of 8 to 10 feet; fuel is as plentiful as can be desired; creameries already exist there and more are desired. Railway connections are also much needed. These would materially assist the farmers in marketing their grain. Railways and roads must be built through the north country. There are some 2,500 men already working in that part and homesteaders are pushing in there for the winter months. In view of this, something should be done to acquaint the people of the world with the resources. In thirty years' experience in the province, I had never seen a failure in that portion of the country."

#### MR. BRADSHAW'S SPEECH

In seconding the Donaldson resolution, Mr. Bradshaw, in part, said:

The resolution mentions that territory lying north of township 50. I propose, however, to extend this somewhat, including the whole of the area north of the North Saskatchewan river. I may state there is a considerable part of this land under cultivation. This area is estimated at 150,000 acres. A line drawn across the Province from east to west, distant say 25 miles north of Prince Albert, would cover the most northerly limit of cultivation. I mention this in order to show that there is at present and has been for some years, a large number of farmers, who have cultivated the land with success, producing therefrom a grade of wheat and other grains which equal in both quality and quantity, the productiveness of any other district in the Province. In addition to grains, sudden produce of all varieties grow in abundance, the only drawback being a lack of railway facilities.

Since the opening of this House several of the members have referred to the desirability of promoting mixed farming. In this connection let me say that in no other part of this or any other

province will be found a district more suitable in every way for this style of farming operations. The abundance of first class hay, the best of water, ample grazing land, and the necessary shelter afforded by the numerous clumps of trees make the Shellbrook district an ideal spot for mixed farming operations. I have always held the opinion that no single portion of the province can make rapid progress without the other portions being affected, and the policy which will make for the greatest amount of material success must be broad enough to take into account the many-sided and diversified character of Saskatchewan as a whole.

#### GATHERING INFORMATION

It is true that a number of attempts to discover the value of the north land have, from time to time, been made. The first was a federal commission known as the Schultz commission, appointed during the year 1888; but owing to the limited amount of information available at that time, and the extreme difficulty experienced in collecting the same, the report of this commission did not elucidate matters to any degree. Later Professor Macoun was given a commission by the Dominion authorities. Lastly, the committee appointed by the Senate held their investigations, taking evidence from men who had spent many years in the north. The whole of this valuable collection is contained in a book which I hold in my hand: 'Canada's Fertile Northland,' from which I propose to quote certain portions, dealing with this matter. The fact that such a valuable fund of information exists and that no effort has been made to give publicity to it is sufficient warrant for this discussion.

The country north of the Saskatchewan river extends over an area 300 by 325 miles. It comprises 97,000 square miles. Leaving out the water area of Manitoba, we find that the area of this northern portion of Saskatchewan more than equals the whole area of Manitoba. It is estimated that in North Ontario there are 18,000,000 acres of good land which is considered to be one of the most valuable assets of that province. In our north country we have nearly double that amount, and considered, acre for acre, greater in value. In addition, let me quote one or two expert opinions.

#### AN EMPIRE IN ITSELF

The first is that of the late R. S. Cook, at one time Dominion Land Agent and Fishery Inspector at Prince Albert. In his evidence before the committee of the Senate in 1907, he said:

"Stanley Mission is the furthest I have been, 250 miles north of Prince Albert. The country in that northern district is fit to be an empire in itself and a wealthy one. People know little of it yet, but it is going to prove an excellent agricultural country. It is such an immense area that it is hard to grasp the possibilities of it. You might travel over it for years and know very little about it. About 75 per cent. of the soil in the country is good, capable of being cleared up and becoming good agricultural land. The area must be at least 250 by 250 miles. It is hard to judge accurately."

From a map issued by the Department of the Interior, corrected up to January 1st, 1909, and covering the area mentioned in the resolution, the following description has been obtained:

"Agricultural lands, 5,000,000 acres; watered and swamp lands, 1,000,000 acres; timbered lands (sold), 1,500,000 acres; timbered lands (leased), 8,000,000 acres; grazing lands, 5,000,000 acres; Indian and School lands, 2,000,000 acres."

*Recent development since last year.  
air. deposits. mica. Amber. Marble.  
Coal. Iron. other valuable minerals  
Industry development.*

A word about the lumber. At present we have in operation in the city of Prince Albert, a mill which is acknowledged to be the largest and best equipped in the west with a capacity of 50,000,000 feet per annum, the raw material for which is procured in the north at distances ranging from 30 to 160 miles. This season another large lumbering concern has commenced the erection of another mill, equal in capacity to the one I have mentioned, the cost of this new plant to be about \$1,000,000. This plant is being put up on one of the large limits in the north at a distance of some 90 miles from Prince Albert, and as the men behind the concern have an acknowledged reputation for shrewdness, it is safe to assume that there is an unlimited amount of raw material in sight.

#### VALUABLE TIMBER RESOURCES

I have said nothing about the immense unexplored tracts of timber to be found further north. The two mills I have mentioned do not extend their lumbering operations a greater distance than 160 miles north of the Saskatchewan river, so that you see we have another 150 miles at least of virgin forest land untouched. But just let me add a little more expert evidence as to the timber land.

Here let me quote again, from Mr. Cook's evidence, than whom no one was able to speak with more authority on this matter:

"There is quite a lot of timber all through the country between Prince Albert and Stanley Mission. There is merchantable spruce in large quantities. A good deal of it is taken up by timber limits, but there is a good deal left. There is an unlimited quantity of pulpwood. Where it is not good timber, it is pulpwood."

Respecting mineral wealth, Mr. Crean's report says: "North of the Churchill lies a district of great promise from a mineral point of view. Already prospectors have pushed into this district as far north as Cree Lake, and no doubt many more will be in the district this year."

The honorable gentleman, when introducing his resolution, said that nearly all of these northern lakes were teeming with fish. This is quite true, and I have heard that the quality of these fish is superior to that of any on the continent. This I do know, that some three years ago, one of our local business men started fishing operations, and during the season he shipped about 15 carloads, all of which were sold in the American markets, but owing to the primitive methods adopted and the great distance from the nearest railway, viz. Prince Albert, little or nothing looking to the development of this most valuable industry has been done in recent years.

Abundant evidence can be procured to determine the fact that the summer season is as warm, and the winter season as moderate as many of the more southern portions of the province. Vegetables of all kinds are grown successfully 300 miles north of Prince Albert, and wheat and other grains are produced in quantities sufficient to warrant the erection of a flour mill. I could say a great deal more, Mr. Speaker, and produce much more evidence did time permit. I think, however, sufficient has been said to convince the honorable gentlemen that our north land is of greater value than was heretofore known and acknowledged, and that its greatest and most pressing need is accessibility."

While my own information as to this northern country is not large, I feel satisfied that the impression which I am inclined to think generally prevails, that the northern region is a country of

little value, is entirely a mistake, and that a considerable area will be found to be available for settlement."—R. E. Young, of the Department of the Interior, before the Senate committee in 1907.

"There can be no question about the value of the land north of the Saskatchewan and settlers going in there are assured of three essentials—wood, water, and hay for cattle."—Prof. John Macoun, Dominion Geological Survey.

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## Land Companies' Taxes

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### Successful Evasion of Taxation by Big Land Companies Disclosed by T. A. Anderson, of Last Mountain.

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Mr. T. A. Anderson, of Last Mountain, brought before the House the fact that though the Saskatoon and Western Land Company had failed to meet its obligations with the Government under an agreement made in 1889, yet when that agreement expired in 1909, the company's lands, instead of being forfeited, were still held by it, under conditions which enable it to hold them and escape taxation. As is well known, this exemption falls particularly heavy on the municipalities.

In 1884 a land grant of 6,400 acres a mile was given by the Dominion government to the Qu'Appelle and Long Lake Company for a railway from Regina to Long Lake. This was extended to Prince Albert and 6,400 acres a mile was also voted for this section. The company was in difficulties and desired a change in the terms. In 1889 another agreement was entered into between the company and the government by which the former received \$80,000 a year for twenty years. In consideration the company was to transport supplies, men, etc., for the government and an adjustment was to be made later, and if over-payment was made to the company, it was to make repayment and the government as security retained one-third of the company's lands. It is said that the over-payment actually exceeded \$1,000,000. In the course of time a transfer was made of the property to other hands. The municipalities have been unable to collect any taxes, the company claiming that the lands are really Crown lands, and would remain so until the Dominion government's claim is satisfied.

In 1907 an order-in-council was passed permitting the company to sell these lands—\$5 per acre to be paid into the Dominion government to liquidate its claim. In reality the company forfeited its lands through failure to fulfill its contract. In 1909, instead of foreclosure proceedings being taken, the company got an extension through which it now holds the lands.

As the Dominion government's claim is a large one, it will take a long time to pay it off, if payments continue to be made in a leisurely manner. Indeed, the company may drag the matter on indefinitely, in the meantime the value of the lands is being much enhanced, and the municipalities are losing their rightful taxes therefrom.

## Hudson's Bay Railway

### Opposition Resolution Adopted Calling for an Appropriation to Enable Work to Begin This Year.

The attitude of the Opposition towards the Hudson's Bay railway project is clear and positive. It favors immediate and rapid construction. Premier Scott and his bonused press has persistently misrepresented the policy of Mr. Haultain and his followers on this question. But the following resolution, which was introduced by Mr. Willway of Pheasant Hills, and carried, has undoubtedly put an end to any further attempt at misrepresentation.

"That this House most respectfully urges upon the Government of Canada the necessity and importance of the immediate construction of a railway to Hudson's Bay; and for that purpose would request the Government to make provision at the present session of parliament for its immediate and actual construction."

As shameful efforts have been made to misrepresent the position of the Opposition, a short reference to the facts of the case will be of interest. In 1905 Mr. Haultain expressed the opinion that the Hudson's Bay railway would be more speedily built if undertaken jointly by the provinces of Saskatchewan, Alberta and Manitoba than if undertaken by the Dominion government. The Alberta Liberals were of the same opinion and endorsed this policy at their 1905 convention. Not having been returned to office, Mr. Haultain's attitude was this: "Not being in a position to carry out my policy, I will not oppose the policy of the Government in this matter. The country wants the road and if your policy will bring it quickly, then go ahead." In keeping with this attitude, he supported the Stewart resolution of 1906. That resolution set forth the necessity of the road; it expressed pleasure at Sir Wilfrid Laurier's endorsement of the project and concluded as follows: "and that the Dominion Government should be further urged to take early and active steps to procure the construction of the said railway."

During the course of the debate, Mr. Haultain said:

"There was no difference of opinion as to the immediate necessity of a Hudson's Bay railroad, although there was a difference of opinion as to the manner in which it was to be brought about, and some of them shared the opinion of their friends in Alberta of both political parties, that there was a greater likelihood of this very important matter being carried to a successful issue by local action than by appealing to the federal authorities. He still held that opinion to a certain extent, but at the present time that was not a practical problem because the Government in power held a different view. That being the case, the party to which he belonged was prepared to press on the federal government the importance of this work, the immediate necessity of this work, and if you can

Induce them to undertake it we shall be only too glad. If the federal authorities would build the road as a federal undertaking so much the better, and his party was prepared to stand behind the Government and give them every assistance possible (hear, hear). If they had been in power they would have followed a different policy, but it was in the interests of the country that the House should try to be unanimous and so far as his side of the House was concerned, there would be no opposition to the resolution."

—Leader, May 2, 1906.

### SCANDALOUS MISREPRESENTATION

Some observations made by Mr. Haultain during the election campaign of 1908 were seized upon by Premier Scott who construed them into a direct declaration of hostility to the whole project. The Regina "Leader" was especially malignant in its misrepresentations. In its issue of August 8, 1908, it said that in return for assistance received from certain corporate interests in the East, Mr. Haultain had agreed to oppose the project. The article proceeded:

"Assistance, it was made plain, would be forthcoming for Haultain from Ottawa upon one condition, and upon one condition only, viz. that if returned to power he would oppose the immediate building of the Hudson's Bay road by the Dominion government. Mr. Haultain at first demurred. He knew that the road to the Bay was at the present time one of the most popular questions now before the western people; but eventually he succumbed and the arrangement was in due course concluded. Mr. Haultain came out strongly against the construction of the road by the Dominion government, and advocated, instead, his old policy of negotiations between the three Western provinces. This latter policy is quite acceptable to the interests referred to, as it means indefinite delay. The party then immediately got busy to help him in his fight."

It is almost unnecessary to say that this story is utterly false, devoid of the least vestige of truth. The public does not believe it nor do Mr. Haultain's political opponents. The story is one of the most scandalous of the many base fabrications circulated by the Leader since the spring of 1905.

The Premier himself was as busy as his ~~organ~~ the "Leader" in misrepresenting his chief opponent. In the "Leader" of August 8th, 1908, he is reported to have said at Arcola:

"The Premier declared earnestly that if the people desired immediate construction of the road, they must see to it that the Haultain policy to frustrate the scheme should be emphatically condemned on the 14th of August."

### THE PROMISES OF SCOTT

On the other hand, the Premier promised that if his government was sustained the farmers would be shipping out their wheat via Fort Churchill within three years. He said:

"If not a day be lost in carrying out their present scheme, we cannot but expect to be shipping our product out via Fort Churchill within less than three years and if this scheme is dropped and Mr. Haultain has to negotiate with two other governments on a new scheme before doing anything practical, the road will not likely be had for ten years."

On the same occasion, he was further reported by the "Leader"

"The Premier was now inclined to regret that so little time was left for the people to become fully seized of the situation, be-



cause it certainly was an issue overshadowing all other questions at this time, and upon the answer given on Friday next would depend whether within two or three years we should possess a route for our produce a full thousand miles shorter than any existing route, or whether the advantage of that shorter route for which we had looked with longing the whole twenty-five years since he came first to the West should be further delayed and perhaps prevented another ten years."

"If by any mischance the result of this general election did delay construction of the railway to the Bay it would convince him (Scott) that the dissolution this summer had been an unpardonable blunder on his part, because by next year the constructors of the road would be under way and Laurier then unable to drop the scheme."

At Niagara Falls, on September 15th, 1908, Sir Wilfrid Laurier made the following very definite statement respecting early construction:

"We have come to the conclusion that the time to build it (Hudson's Bay railway) is now; not tomorrow but now, and we have the surveyors in the field looking at the conditions of the country and preparing plans for it, which we will be prepared to put into execution as soon as we receive them."

During July 1908, the Regina "Leader" made the announcement that the surveys would be completed within sixty days.

Seventeen months having passed since these words were uttered and the surveys being yet far from complete, it seemed necessary to urge for immediate construction work. Hence the Willway resolution. Speaking to it, Mr. Haultain again stated his position:

"I would prefer a different way. You are really the only power today that can build the road. You have promised to build the road. Then proceed as quickly as you can and build it."

The Willway resolution voices the opinion of the people of the Province who want something more than an annual announcement that \$100,000 or \$150,000 is to be spent on surveys.

# The Railway Legislation

## The Province Backs Railways for \$21,000,000 with Interest for 30 Years and Receives no Concessions in Return.

In its legislation guaranteeing the bonds of the Canadian Northern and the Grand Trunk Pacific Branch Lines Company, the Government has grossly neglected the interests of the Province.

The Opposition does not oppose the principle of assisting railways through the guaranteeing of their bonds, as a portion of the Government press has alleged; but it does believe in the principle of concession for concession; that in return for the extensive use of public credit the people should receive substantial concessions equal, at least, to those obtained by other provinces.

These companies have had their bonds guaranteed for 1,625 miles of road to the extent of \$13,000 per mile with interest at 4 per cent. for 30 years. This guarantee may be increased to \$15,000. The liability thus assumed by the Province is \$21,000,000 on principal account, and \$25,000,000 for interest. In return for this great assistance, by which these companies are enabled to extend their systems, the Province has received nothing but a guarantee that the roads aided will be constructed within a given time and according to the standard of the C.N.R. main line.

Instead of adopting the policy of concession for concession the Government conceded practically everything that the companies requested and, in the matter of concessions, received practically nothing in return. The Government has not control over rates, nor has it one of the many other concessions which other provinces that have aided the Canadian Northern insisted upon and secured. From the very nature of the case the lines will pass entirely out of the hands of the Provincial Government.

### ONTARIO'S AGREEMENT

In 1904 the Ross Government in Ontario granted a cash and land subsidy to the G.T.P. and to the Huntsville and Lake of Bays railways. In return it secured control of rates, together with other concessions. The control of rates section reads:

"The rates for passengers and freight which may be charged by each of the said companies on the said railways shall be such as may be approved of by the Railway Committee of the Executive Council of Ontario, and each of the said companies shall comply with any conditions now or hereafter imposed by any act respecting the granting of aid to railways."

That section was placed in the agreement, notwithstanding the fact that the Railway Commission was already in existence.

Another concession reads as follows:

"Each of the said companies shall be obliged upon the request

of any township or county municipality through which the line of railway passes, to carry roadmaking material, gravel or stone, required for improving any of the roads within any such municipality at the actual cost of handling and carriage."

The Ross Government also guaranteed the bonds of the James' Bay Railway (C.N.R.) and among several concessions received one granting to settlers and bona fide land seekers a passenger rate of one cent a mile and a half-rate on settlers' effects.

### WHAT MANITOBA GOT

In 1901, when the Manitoba Government guaranteed the bonds of the Canadian Northern, it secured stated reductions in rates, and general control over them for thirty years—control, not only within the Province, but as far east as Port Arthur. Nothing was left to chance, or the will of the railway company.

When the legislation guaranteeing the railway bonds was being enacted, the Opposition urged upon the Government the necessity of securing control of rates, Mr. Haultain introducing a motion to that effect. It was opposed, the Government replying that the Railway Commission had control of rates. That argument is fallacious, and does credit neither to the discernment nor the sincerity of those who advance it.

### THE RAILWAY COMMISSION.

It is not the general function of the Railway Commission to reduce rates. What the Commission does, and can be expected to do, is to remove unfair discrimination, and to equalize and standardize rates. That is something very different from granting stated reductions. Rates may be very high, without constituting unfair discrimination.

Speaking in the House of Commons on the Railway Commission during 1903, Mr. Oliver, now Minister of the Interior, said:

"If I understand the general purposes of the Railway Commission, it is that it shall prevent discrimination in rates; that it tends to the equalization of rates, that it shall provide against the conditions which prevail throughout Canada when one town is discriminated against in favor of another, or where certain differences are made by one railway from another. It is not the equalization of rates that we want. It is not equalization that we need. As I said a few moments ago, we need that the rates shall be cut to the bone, that we shall get the lowest rate which it is possible to get in order to transact our trade."

Mr. Oliver got at the core of the question.

In Western Canada there have been three notable reductions in freight rates. How were they effected? By the Railway Commission? No; by agreements between the railway companies and the governments. The first of these reductions was the result of a direct agreement between the Manitoba Government and the Northern Pacific; the second followed, the agreement between the Dominion Government and the Canadian Pacific respecting the Crow's Nest line; the third resulted from the agreement made between the Manitoba Government and the Canadian Northern.

### OPINIONS OF AUTHORITIES

This opinion has been confirmed by the testimony of railway officials themselves. Addressing the Railway Commission in Regina

during October, 1909, ex-Judge Phippen, counsel for the Canadian Northern, said:

"We have the fact that owing to special circumstances created by the action of the government of the Province of Manitoba, the rates from the head of the lakes to Winnipeg are lowered to a standard which we would not expect to find if these rates were governed by normal conditions, in so far as they affected that district. And we have this fact—that the rates to the City of Regina have benefited to the full extent of the reduction brought about by the action of the Province of Manitoba.

Mr. J. A. M. Aikins, solicitor for the C.P.R., speaking on the same occasion, said:

"So far as the Canadian Pacific Railway is concerned, the company takes this position, that by virtue of the reductions which were forced upon the Northern Pacific and Manitoba Railway, and subsequently upon the Canadian Northern Railway, the conditions in Manitoba were such as to make it highly competitive for the Canadian Pacific Railway. The Canadian Pacific Railway was not a party to that agreement, but by virtue of the reduction of tolls through these statutory agreements, the conditions were such that they became highly competitive and the C.P.R. was compelled to meet these competitive conditions."

#### PREMIER SCOTT IN 1903

In 1903 Premier Scott, who was then a member of the House of Commons, was not even satisfied with control of rates by the Railway Commission. During the discussion over the bill guaranteeing the bonds of the main line of the C.N.R., a bill which provided for the control of rates by the Governor-in-Council, or Commission, or any other body constituted for the control of railways, Mr. Scott said:

"There was another suggestion which I consider a very good and essential one, made by the hon. member for East York (Mr. MacLean), that is that there should be put in this contract a provision for maximum rates, so that the people along the lines to be constructed shall know definitely and distinctly what advantage they are to receive in return for what the public is doing for this company."

In other words, Mr. Scott wanted what Manitoba got.

Some months after, another bill was brought before Parliament to bonus the Kirkella branch of the C.P.R. Again the subject of control of rates and maximum rates came up and Mr. Scott among other statements, said:

"If it is fair to compel the Canadian Northern to give a contract for maximum rates, then aid to this other company (C.P.R.) should carry with it a similar condition. In this case we should make a contract with the company with regard to the rates to be charged to the people in the district."

#### THE BRITISH COLUMBIA AGREEMENT

British Columbia was the last province to aid the Canadian Northern, which it did through guaranteeing the company's bonds for the sum of \$21,000,000 on principal account at 4 per cent. for 30 years. Was British Columbia satisfied with the so-called argument that the Railway Commission has control of rates, and that it was therefore unnecessary for the Provincial Government to stipulate for such control? By no means. British Columbia got control of rates and bound the Canadian Northern to content itself with

appealing, in case of dissatisfaction, to the Provincial Supreme Court, thus waiving the right to appeal to the Railway Commission.

### THE TWO EXCEPTIONS

Thus all the provinces that have assisted the Canadian Northern have, with the exception of Saskatchewan and Alberta, secured control of rates. The rates in Manitoba have been much reduced, and in British Columbia they will be kept reasonable through the control which the Government of that province can exercise. But through the neglect of its government, Saskatchewan—and Alberta also—is paying whatever rates the Canadian Northern has seen fit to impose; and they will continue to do so.

The prairie divisions are the profitable parts of the Canadian Northern system. During the recent election campaign in British Columbia the financial standing of the company was thoroughly discussed, and to prove its stability, the profitable nature of the prairie divisions was particularly emphasized. Discussing this subject, the Victoria Colonist of November 17 said:

"The year ending June 30, 1909 was, as every one knows, an off year on the prairies; yet this railway, which depends chiefly on the prairies for traffic, earned \$10,581,767.93, which is \$3,450 per mile; its operating expenses were \$2,266 per mile; leaving its net earnings \$1,114 per mile."

In a subsequent issue, the Colonist said:

"Nothing can well be more certain than that by the time the British Columbia line is completed, four years hence, the annual surplus from the C.N.R. prairie lines will be at least \$8,000,000 or \$10,000,000.

High rates and large profits go hand in hand.

As British Columbia and Saskatchewan granted the same amount of assistance to railways, and by the same method, guarantee of bonds, it will be interesting to compare the concessions they received.

It is recalled that British Columbia guaranteed the bonds of the Canadian Northern, which, in that province is known as the Canadian Northern Pacific, for \$21,000,000, and interest at 4 per cent. for 30 years. This sum is equal to the amount of the guarantees assumed by Saskatchewan for the Canadian Northern and Grand Trunk Pacific Branch Lines Company.

But British Columbia got numerous valuable concessions. Saskatchewan practically got nothing more than an agreement that the lines would be built according to the standard of the Canadian Northern main line, that the work would be done within a stated time, and that the companies' property would stand as security.

British Columbia secured control of rates, through and local, for all time; indemnification against all loss; a \$500,000 bond from the company in addition to the security of the company's property; an interest in the townsites; an agreement that the company will not pass out of provincial control, besides other concessions of a minor nature.

The following statement is a comparison showing the concessions obtained by British Columbia and Saskatchewan from the Canadian Northern:

#### WHAT B.C. GOT

British Columbia secured control of rates for all time on traf-

#### WHAT SASKATCHEWAN GOT

Saskatchewan has not control of rates.

fic originating within the province and coming from without it.

The company bound itself not to appeal railway rates to the Railway Commission, but to accept the decision of two judges of the Supreme Court of British Columbia.

The Canadian Northern Pacific, being a provincial company, is under the control of the government of British Columbia and has bound itself not to attempt to escape therefrom.

The Canadian Northern has indemnified the government of British Columbia against all payments and loss whatsoever.

The Canadian Northern has deposited with the British Columbia government a bond of \$500,000 for the construction and operation of the lines.

British Columbia has a first mortgage on the lines, equipment, tolls and revenues of the lines aided.

The company has agreed not to sell, lease or dispose of the lines aided without the consent of the Government of British Columbia.

British Columbia has a one-third interest in those portions of the railway townsites not used for railway purposes.

The company's property in British Columbia is exempt from all taxes until 1924.

Saskatchewan has no such provision.

The Canadian Northern in Saskatchewan is not under the control of the Provincial Government. But its subsidiary companies are, until they amalgamate with the general system.

Saskatchewan has no such indemnification.

Saskatchewan has no such security.

Saskatchewan has the same.

Saskatchewan has no such agreement.

Saskatchewan has no such interest.

In Saskatchewan the lines aided are exempt from taxation for fifteen years from the beginning of operation, while the taxation is fixed at the low rate of \$30 a mile for the remainder of the guarantee period.

What Mr. Haultain asked for was: Government control of rates; power for the Government to acquire the lines if it were deemed advisable to do so; power for the Government to decide on the location of the mileage.

Within a year or two the entire Canadian Northern system in this Province, a large part of which is being built on the public credit, will have passed out of the control of the Provincial Government, and all because of the gross negligence of the Scott Government.

The Opposition does not oppose the guaranteeing of railway bonds, but asks that when bonds are guaranteed the public should receive some concessions for the financial accommodation.

## The Public Domain

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Saskatchewan Deprived of What Should be Her  
Richest Asset. The Case Reviewed. How  
Ottawa Benefits by its Retention.

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The public lands within the boundaries of the Province are rightfully the property of the Province and should be administered by the Provincial government for the benefit of the Province. It is for this that Mr. Haultain and his followers contend. It has always been his policy. He advocated it while Premier of the Territories many years ago. It formed the basis of his negotiations with the Federal Government for autonomy. It received the unanimous endorsement of the people, the press and the Legislative Assembly of the Northwest Territories. It was endorsed by Mr. Scott, now Premier, by Mr. Bulyea, now Lieutenant-Governor of Alberta, by Mr. Frank Oliver, now Minister of the Interior, and by all the leading men in the Northwest.

The policy of the public lands for the Province is the chief feature of the demand for Provincial Rights. There are Federal rights and State rights, that is, rights which are inherent in the federal and provincial systems of government, and which are guaranteed to them by the Constitution, set forth in the British North America Act. Provincial Rights in Canada are practically the same as State Rights in the United States.

Confederation, which came into existence in 1867, was first composed of four provinces: Ontario, Quebec, New Brunswick and Nova Scotia. Formerly they occupied to one another and to the British Crown the same relationship as did the thirteen American colonies. They had control of their own affairs. They could not be induced to enter Confederation except on condition that certain powers they then enjoyed would not be taken away from them. All of them controlled the public domain within their boundaries, having received it from the Imperial government and they continued to control it under the new order of things. They all had equality in civil rights. Every legislature had the same powers. In 1870 British Columbia entered Confederation and it retained control of the public domain. A few years after Prince Edward Island also came in, but having no public lands, it received an annual cash subsidy instead. Manitoba also entered. It did not secure control of all its lands, but got an annual subsidy, and secured several hundred thousand acres of swamp lands, from which it derives a revenue of nearly \$500,000 a year.

### ALL THE PROVINCES EQUAL

It was the intention of the fathers of Confederation that all the provinces, including those that might afterwards be organized or enter the union, should have equal powers. That the people in the newer provinces should have fewer powers than those in the older ones is unjust and was never contemplated. So for this reason,

when unorganized territory is organized into a province it is entitled to the ownership of the lands, timber and minerals within its boundaries. This is the basis of the demand for Provincial Rights. This is the policy of the Opposition leader, Mr. Haultain, who was Premier of the Territories for thirteen years.

When by the Saskatchewan Act of 1905 a provincial constitution was granted by the Dominion Parliament, control of the public lands was withheld from the Provincial government, their administration from Ottawa being continued. It was admitted that the Province had a good claim to the lands; but the Dominion parliament said: "It is not well that the Province should administer the lands. That can be done better from Ottawa than from Regina. We will grant a cash subsidy in lieu of the revenue you would derive from them." It was also said that the Provincial government might not be strong enough to resist the exploiters and grafters who might endeavor to obtain valuable concessions for almost nothing. Hence all the business connected with the public lands, the timber and the minerals which in British Columbia, Ontario, Quebec, New Brunswick and Nova Scotia, is done from the provincial capitals of these provinces, is, in Saskatchewan, done from Ottawa, 1,700 miles away.

Mr. Haultain's policy is not new. It does not ask for something not granted to the old provinces. It asks merely that Saskatchewan be granted the same powers that they received. The principles of his policy are those held by the best authorities on the Constitution, and the leading Liberals of Confederation times.

#### HON. GEO. BROWN'S OPINION

Hon. Geo. Brown, in his day one of the foremost of Canadian Liberals, said when Confederation was about to become a fact:

"Each province is to have charge of its own Crown lands, Crown timber and Crown minerals, and will be free to take such steps for developing them as each deems best."

In 1869 a resolution to admit Newfoundland into Confederation was introduced into the House of Commons. One of the provisions was that the Colony was to surrender its lands to the Dominion government, receiving in lieu thereof \$150,000 a year. Hon. Edward Blake, formerly leader of the Liberal party in the House of Commons, and a member of the Mackenzie government, opposed the resolution. He is reported as follows:

"I am strongly opposed to the Dominion acquiring the Crown lands of Newfoundland, and have strongly objected to Newfoundland being deprived of its Crown lands. I commend the policy of the framers of the Constitution in leaving to each of the provinces the control of their own lands. This was from the Canadian standpoint. Then as to Newfoundland, the arrangement was equally objectionable: (1) Its distance from the seat of government; (2) Its small representation in parliament would lead to an unsatisfactory management. The local government would be deprived of the control of these lands, which might by it be rendered valuable for the future development of the colony."

"The development of mineral wealth could not be effected by raising a revenue, but encouraging local enterprise. If the proposition was between giving Newfoundland \$150,000 a year and taking her lands, and giving \$150,000 a year and leaving her lands; I would willingly vote for the latter."

Mr. Blake offered an amendment to the following effect: "That the public lands can be managed more efficiently, economically and satisfactorily by the provinces in which these lands are situated



than by Canada, and there is no good reason for a departure from the principle of the Union Act."

Mr. Blake had voted for the acquiring of the lands in the Territories from the Hudson's Bay Company. He was now criticized because, having supported that arrangement, he now opposed the suggested purchase of the lands of Newfoundland. The late Hon. Alexander Mackenzie, afterwards Liberal Premier, defended Mr. Blake's course, saying:

"There was a difference between the two cases, in the Northwest Territories there were at present no constituted authorities as there were in Newfoundland, and it would not be pretended that after a government was established in the Northwest Territories we should administer its lands from Ottawa."

The Liberals of Saskatchewan claim these men as their leaders.

#### JUDGE STUART'S OPINION

Judge Stuart of the Supreme Court of Alberta, formerly Liberal member for Gleichen in the Alberta legislature, was a strong advocate of the policy of the public lands for the Province. In 1905 he delivered an address in Calgary in which he presented a strong argument in support of his views. It was reproduced in pamphlet form, from which the following quotations have been taken:

"The federal government may follow the precedent established in the case of the Province of Manitoba in 1870 and endeavor to withhold, or rather, to use a more proper word, deprive the people of the Territories of the control and enjoyment of the revenue to be derived from the Crown domain.

After saying that such a method would be unjust, Mr. Stuart proceeded:

"According to all the precedents and the spirit of British Colonial history and of the Canadian Constitutional arrangements, the only proper settlement of the question will be to place these revenues at the disposal of the new provincial assembly when the province is established.

"Any argument in favor of the right of the federal government to assume permanent control of our Crown lands can, if what I have said is true, rest only on an entire misconception and misunderstanding of the true position of the federal government with relation to those Territories. If what I have said is true, it is a complete mistake for the federal government to look upon the Crown lands of the Territories as a piece of property of their own, as a peculiar treasure, as a precious possession to be disposed of as they please.

"Any attempt by the Dominion government to deal with this colony otherwise than the Imperial government would have dealt with it, otherwise than the Imperial government did deal with the eastern provinces, would be a failure to fulfil the trust imposed upon them and would be a long descent from the noble and generous example of the Mother Country.

"According to the whole spirit of British colonial policy and of the British constitution, these lands belong to the people of these Territories; but by neither the letter of the law nor by its spirit has the federal government any right to enjoy them when full provincial autonomy is once allowed."

#### WHAT MR. HAULTAIN ASKED FOR

The principle underlying Mr. Haultain's contention having been stated, it remains to consider what he asked for. At the request

of Sir Wilfrid Laurier in 1901, the case for the Territories was forwarded to Ottawa and embodied in the well known "Draft Bill," prepared by Mr. Haultain. Briefly stated, the principal requests were:

(1)—"Equal rights with all the other provinces of the Dominion and the same financial consideration that has been given to those provinces,"—i.e., Grants for legislation, debt allowance, per capita grant.

(2)—"Control of the public domain in the West, by the West, and for the West,"—i.e., Control of the water as well as the land areas, which now the Province has not to the slightest extent.

(3)—"Compensation for the alienation of any part of the public domain for purely federal purposes."—13,000,000 acres of Saskatchewan lands had, before 1905, been granted to railway companies. Mr. Haultain's "Draft Bill" provided for compensation for this; a valuation of \$1 per acre being placed on the lands, and an annual grant of 5 per cent. to the Province being named. This item alone would have provided an annual revenue of \$650,000. It was refused. In 1903 Mr. Scott said this was "the supremely important demand made in the Draft Bill." The acreage is now 14,000,000 acres.

(4)—"The removal of the unjust and onerous Canadian Pacific Railway exemption." This was denied.

It was on these questions that the Haultain government appealed to the people of the Territories in 1902. This was plainly stated in Mr. Haultain's manifesto published in every paper in the Territories as the following shows:

"These are the matters that the government of the Territories is now fighting for, and these are the matters upon which your judgment is invited in my appeal to you for re-election as your representative in the legislature. A similar appeal is being made in every constituency in the country by every candidate whose election will give support to the Government at this critical period in the history of the Territories. The issue is plain, and it is for the people of the Territories to decide."

#### MR. HAULTAIN'S POLICY ENDORSED

Mr. Haultain's government was overwhelmingly endorsed and his support in the Legislature was stronger than ever before. The "Leader" was so confident of Mr. Haultain's return that it began to jubilate before the event, and concluded a glowing eulogy of his government in these words:

"Eye hath not seen nor ear heard, neither hath it entered into the heart of any other man to conceive the good things Mr. Haultain claims as our right in regard to the matter of becoming a Province."

After the elections, the Leader said in its issue of May 29, 1902:

"The lesson of the elections is very simple. The administration of the Northwest Territories is approved, and the policy of the executive is endorsed. The command of the electorate is—as you were. As to the policy of the executive, it is at present confined to one question, that of the provincial status. Premier Haultain is returned to carry out the plan he submitted to the Dominion government and to the people of the Northwest. The plan is nothing new. Premier Haultain has been trying to carry it out for years. He has educated the people to a realization of it, and belief in it. All he has to do is to follow along the road he has been travelling for some time past. That is the road along which his followers have faithfully accompanied him. And it is the direction to which he is pointed by the elections that have just taken place."

## A NEST OF TRAITORS

Backed by such unanimity of opinion it seemed certain that when the Territorial government came finally to negotiate with the Dominion authorities for autonomy, Mr. Haultain would be strongly supported by Western Liberals. But between 1902 and 1905 a great change took place. It became evident that the Dominion government, while prepared to admit the soundness of Mr. Haultain's claims, was not prepared to grant them.

The leading Western Liberals were confronted then by this situation: Would they accept the terms of the Dominion government and thus attain high office in the new provincial governments; or would they stand by their principles? The latter might force them into opposition. If they accepted the terms, position and power were certain; though Mr. Haultain would have to be sacrificed. These men accepted the terms, plotted against the Premier of the Territories before the Autonomy bill was introduced into parliament, and, turning their backs upon almost every principle they had advocated, sacrificed the interests of the Province. Mr. Scott became Premier of Saskatchewan, Mr. Oliver, minister of the Interior, and Mr. Bulyea (a member of the Haultain government), became Lieutenant-Governor of Alberta. Mr. Haultain was forced out of office and denounced as a fire-brand and enemy to the newly constituted authority.

## SCOTT THE APOSTATE

Before the great apostasy of 1905, Mr. Scott, as has been said, was one of the most zealous champions of the cause of Provincial Rights. In the House of Commons during 1901 and 1903 he endorsed Mr. Haultain's policy; in 1905 he repelled it. Of his attitude in these years let the reader judge.

### SCOTT IN 1901

"I may say that what the people of the Territories will expect, and what I think they have a right to expect—and that is really the point to which I wish to call the attention of Parliament—is that they will be dealt with on exactly the same basis as the originally confederated provinces. If the proper principle is adhered to, if the principle of absolute equality is observed, if parliament places the new provinces upon an equitable basis, the local government will be given a grant for government, also the per capita grant, and be given anything that may be shown to be due as the debt allowance. And they will be put in possession of the public resources, lands, timber and minerals in the same way as the other provinces were

### SCOTT IN 1905

"My view is that this Parliament has the discretion to give such constitution to these provinces as it chooses to give."—Autonomy debate.

"Now I come to the matter of the compensation for the lands and the financial terms. I may say at once that the financial terms and the compensation for lands command together my hearty endorsement."—Autonomy debate.

"Even now were I not satisfied that the financial terms as a whole are so ample and generous as to offset in a great measure the financial handicap meant by the exemption measure, I should deem it my duty to myself and the Northwest Territories to oppose the bills."—Autonomy debate.

"I voice the sentiments of the

put in possession of their resources.

"I believe that that portion of the Confederation arrangement by which the original provinces retained control over their public resources, was looked upon by the fathers of Confederation as the keystone of the whole system."

"The people of the Territories contend that the public lands of that territory are now simply held in trust by Parliament until such time as provinces may be created in that area. They firmly believe that their contention is good. But even if a strict legal or moral right cannot be established by the people of the Territories to be given possession of their local resources, I appeal to this House whether it would not be unwise and impolitic to create provinces out there on any different basis from that on which other provinces stand.

"Entire equality is the only sure guarantee of the permanency of the Confederation structure. Is it not a fair proposition that the citizens of the Northwest Territories should be looked upon in all respects as equal to the citizens of any other province of Canada?"—Hansard, 1901.

"I believe that Mr. Haultain's proposals are approved with practical unanimity by all the people of the Northwest."

"The voters of the Northwest approve the details of Mr. Haultain's Draft Bill."

"I will ask the hon. gentleman (Mr. Borden) as the hon. member for Alberta asked him, whether he is willing to support Mr. Haultain and the member for Alberta and myself in favor of this Draft Bill, propositions that, I believe, are supported by all the people of the Northwest."—Walter Scott, House of Commons, October, 1903.

Northwest people that these measures are based upon principles of justice, equality and above all, generosity," etc.—Autonomy debate.

"It was true that with other Northwest public men he maintained in the first instance that the Province was entitled to the possession of the lands, but he was free to say that there was always in his mind a very great doubt as to the possibility of their getting the Dominion authorities to agree to that proposition; but also as to the advisability when they came down to negotiations for the administration and management of the lands being handed over to them."—Leader, May 21, 1906.

"It was true that the terms of the Draft Bill as a whole would have put them in a better position than they stand in under the terms of the Saskatchewan Act; but, as he had said before, the Draft Bill asked for everything in sight and no one expected that it would be adopted without considerable modification."—Leader, May 21, 1906.

#### OTHER APOSTATES

"The terms of this Draft Bill are what we want."—Frank Oliver, House of Commons, October, 1903.

"We would be much better satisfied if he (Mr. R. L. Borden) would tell us that he is prepared to sympathize with us to the extent of demands made by Premier Haultain. They are modest demands in a way and the people of the Northwest would be glad to know that my hon. friend (Mr. Borden) endorses them."—T. O. Davis, House of Commons, October, 1903.

Referring to Mr. Borden and his Western trip in 1903, Mr. Scott said in the House of Commons during that fall: "On one very important detail then, he (Borden) expressed himself clearly in the Northwest Territories, just as he has done here, and on behalf of the Northwest Territories, I wish to take occasion to thank the hon. leader of the Opposition for the expression of opinion which he gave in favor of the view which we in that country unanimously take—that when a province is formed it is only fair, just and proper that the lands, timber and mineral resources in that province should be handed over to the people dwelling there to be managed and owned by them."

#### DEPRIVED OF THE LANDS

Sir Wilfrid Laurier admitted the claim of the Province, for on introducing the Autonomy Bill, he said;

"But I frankly admit, and we must all recognize, that the provinces in the West, in being deprived of their lands, are deprived of a valuable source of revenue."

Section 19 of the original draft of the bill specifically stated that the land subsidy was to be paid annually "by way of compensation." Subsection 2 of the same section relating to the additional grant of \$93,750 for buildings read: "As additional compensation for such lands there shall be paid by Canada to the said province," etc. The expression "subsidy in lieu of lands" in the Saskatchewan Act is an admission of the right of the Province. During the course of the Autonomy debate the Hon. Clifford Sifton said that on the strength of this admission the Province would some day make new demands. There can be no question as to the validity of the claim

of the Province. The whole case now turns upon the adequacy of the subsidy in lieu of the lands—whether a return of 1 per cent. a year on a miserably inadequate acreage, and which can never be more than three per cent.—is adequate.

### THE DOMINION'S TITLE

It is denied by some that the Province has a right to the lands, and in support of this contention, it is said that they belong to the Dominion by right of purchase from the Hudson's Bay Company. At best, the claim of the Company was of a very vague and questionable character. It was reported against by Parliament. So the \$1,500,000 paid by the Dominion government must not be considered as the price paid for the Company's lands. Moreover, Saskatchewan, in assuming her proportion of the national debt, contributed proportionately to the payment of the \$1,500,000. Surely then her interest in the lands is established. She bought the lands as much as did the other provinces.

During 1884 in the Northwest Council, the following resolution was moved by Mr. James H. Ross (now Senator) and seconded by Mr. Frank Oliver (now Minister of the Interior):

"That while recognizing the propriety of the Public Lands within the Northwest being administered by the Federal Government at the present time, this Council does not admit that the title in fee simple rests in the Parliament or Government of Canada, and desires to put upon record the opinion that it now rests as it has always, in the British Crown, to be administered by such of Her Majesty's representatives as may be deemed expedient and that as soon as responsible government is obtained by the Northwest it should be assumed by that government."

### ANOTHER DECLARATION

Dr. Cash, Liberal member of Parliament for Mackenzie, is only one of many Liberals who have opposed this view of the Dominion ownership. During the Autonomy debate he said:

"Now in regard to our public lands. When I say our lands, I speak advisedly, as I think there are very few who will be unwilling to admit that we have at least a beneficiary right to these lands. To speak of the Dominion having bought them is not admissible. All they bought was certain mythical claims and rights of the Hudson's Bay Company, and Great Britain ceded her rights in this property to the Dominion to govern and enact laws for its well-being, and to hold in trust for the benefit of those who might in the future occupy and develop them. I do not agree with the hon. member for Brandon, Mr. Sifton, when he says that the Dominion bought and owns these lands."

But even were it a fact that the lands acquired by purchase from the Hudson's Bay Company belonged absolutely to the Dominion, the very fact that the intention of Confederation was to place all the provinces as near as possible on an equality is good reason why the administration of the public lands should have been conferred on the Provincial governments. The Dominion parliament should have dealt with Saskatchewan as the Imperial parliament dealt with the Canadian colonies before Confederation.

This was Mr. Haultain's contention which he ably stated during a speech delivered in the Territorial Assembly in 1900 when he said:

"Do we not to a large extent stand in exactly the same relation

towards the Dominion as the Dominion formerly stood towards the Mother Country? We are practically a colony, within a colony, and we stand exactly in the same relation. We are dependent upon the Dominion for our constitution and for the financial assistance which is necessary and will be necessary for the carrying on of our self-governing institutions, so that an exact analogy exists. We stand precisely in the same relation, and I claim we should be dealt with in a similar way. For after all, what policy has put the Dominion government or the Dominion Parliament in the position of being able to grant or to withhold the control of the lands? The very policy I have mentioned, which was pursued by the Colonial Office in the case of the older Canadian colonies, which was adopted by the framers of our federal constitution and which we must ask to be continued in our case. All we say to the Dominion is this: If you are in the position of being able to grant or withhold the control of our lands on account of the adoption of such a policy by the Imperial authorities, then treat us in exactly the same way as they treated you."

#### WHAT THE PROVINCE RECEIVES

Consider what amount the Province receives in lieu of the public lands, and how it was arrived at. Remember that the land subsidy is now only \$375,000 a year. The per capita grant, the grant for legislation and the debt allowance have nothing to do with the land subsidy. The Province would receive them if she administered the lands.

The area of the public lands of all kinds, agricultural, timber and mineral, in the Province was estimated at 25,000,000 acres and valued at \$1.50 per acre. On this valuation of \$37,500,000, the following percentages are to be paid:

1 per cent. until population reaches.....	400,000
Then 1½ per cent. until population reaches .....	800,000
Then 2 per cent. until population reaches .....	1,200,000
Then 3 per cent.	

No more than 3 per cent. will ever be paid, it matters not if population should reach 10,000,000

The payments are to be as follows:

From 250,000 to 400,000 population.....	\$375,000
From 400,000 to 800,000 population .....	562,500
From 800,000 to 1,200,000 population .....	750,000
From 1,200,000 population and over.....	1,125,000

In addition \$93,750 for public buildings was granted for five years.

C.P.R. lands sell at an average of \$10 an acre; School lands sell at auction for \$20 and higher. Are you then satisfied with \$1.50, the valuation fixed by the Autonomy terms?

#### COMPARISONS ARE ODIUS

What does this annual subsidy of \$375,000 really amount to? A revenue of \$375,000 from 25,000,000 acres is equal to an annual rental of one and a half cents an acre. What person would be satisfied with such a return on a private investment?

Now the people of the Province pay a tax of one cent an acre to the Supplementary Revenue fund, and the Government says that no one feels it. If a tax of one cent an acre is small, a revenue of one and a half cents an acre is also small. Remember, however, that

the people will this year pay into the Supplementary Revenue fund four-fifths as much as they will receive in lieu of their lands.

\$375,000 is only \$175,000 more than the people will, this year (1910-11) pay in charges on the Provincial debt, i.e., \$131,000 interest on the principal debt, and \$70,000 interest and sinking fund payment on the Public Improvements loan; 53 per cent. of the subsidy in lieu of lands will go to pay the debt charges this year.

\$375,000 is only \$45,000 more than the Province will pay in school grants during 1910-11.

\$375,000 is only one-half of what will be spent on the Legislative buildings this year, 1910-11.

\$375,000 is \$75,000 less than will be spent this year on the administration of justice.

\$375,000 is less than 50 per cent. of the whole amount that will be spent during 1910-11 on Education.

\$375,000 is only \$75,000 more than the people will during 1910-11 pay in direct taxation (Supplementary Revenue tax).

ARE YOU SATISFIED?

#### HOW IT WORKS OUT

Instead of the present system of land administration enabling the public to share the values the public creates, it has a directly contrary effect. As values increase, the return per capita which the Province receives becomes less. This is shown by the following table, stating the amounts which Saskatchewan will receive in the aggregate and per capita as population increases:

Population	Land Subsidy	Return per capita
250,000 .....	\$ 375,000 .....	\$1.50
400,000 .....	562,500 .....	1.15
800,000 .....	750,000 .....	.94
1,200,000 .....	1,125,000 .....	.93
1,500,000 .....	1,125,000 .....	.75
2,000,000 .....	1,125,000 .....	.56
3,000,000 .....	1,125,000 .....	.37
4,000,000 .....	1,125,000 .....	.28
5,000,000 .....	1,125,000 .....	.23
8,000,000 .....	1,125,000 .....	.14

In Collier's Weekly last summer, Premier Scott contributed an article in which he stated that in 1950 Saskatchewan would have a population of 8,000,000.

Today the people are paying a debt charge of 60 cents per capita. When population reaches 2,000,000 they will receive 56 cents per capita for the lands. What will the debt charge then be?

#### WHAT OTHER PROVINCES GET

Other Provinces find the land revenues to be a very fruitful source of revenue. Why should they not be for Saskatchewan?

The following table shows the area and the land revenues of the provinces in 1907:

	Area Sq. Miles	Territorial Revenue
Ontario .....	266,862	\$3,068,494
British Columbia .....	381,630	3,403,628
New Brunswick .....	27,985	343,292
*Manitoba (a) .....	73,732	527,867



	Area Sq. Miles.	Territorial Revenue.
Nova Scotia	21,428	633,933
Quebec	351,873	1,300,000
Saskatchewan	254,000	375,000
Alberta	260,000	375,000

—The Manitoba figures include \$100,000 subsidy. (a)—The amount is much larger now.

British Columbia receives a subsidy of \$100,000 a year in return for a grant of land 40 miles wide along the entire length of the C.P.R. in that province.

### BRITISH COLUMBIA'S HERITAGE

If any one doubts whether it pays to own the public domain, let him read the following from a speech delivered last November in Victoria by Premier McBride of British Columbia:

"The Province had property at Kalen Island, which at present market value, would realize over \$6,000,000 cash. The Province held other millions of acres of land all over the Province awaiting its development. If the Government were disposed to accept the proposals of various colonization companies, such as were every day advanced, they could bring \$50,000,000 to the treasury within the next fourteen days. Fifty millions was not enough—\$100,000,000 was wanted—and then some more!"

This is an example of the Province participating in increased values.

Last fall the British Columbia government sold several hundred acres of land at Point Grey near Vancouver for about \$2,000,000. And there is much left. On this point Premier McBride said:

"The government as trustees for the people of British Columbia still had some 3,500 acres at Point Grey which, sold on the same terms as lately realized, would bring to the treasury \$14,000,000—or with the recent receipts, some \$16,000,000 from Point Grey lands alone."

### A RIDICULOUS ESTIMATE

To estimate the area of the public lands in Saskatchewan at merely 25,000,000 acres in 1905 was ridiculous. The natural question is: On what basis was the estimate made? It was not made from exact information as to the real nature and extent of the resources of the Province. It was thought that a cash subsidy of \$375,000 a year would, in addition to revenue from ordinary local sources, be sufficient to meet demands upon the treasury until population would reach 400,000. But the question arose as to what would be the basis of calculation. It was remembered that in 1889 the C.P.R. had surrendered to the Dominion government 6,793,041 acres of its land grant and had received in return \$10,189,521. This was considered a fair working basis for calculation. The valuation of \$1.50 an acre was decided on, and a one per cent. return on an area of 25,000,000 acres produces the subsidy of \$375,000. Any doubt on this point that may exist will be quickly dispelled by the following extract from Section 19 of the first draft of the Saskatchewan Act, as it was presented to Parliament:

"Inasmuch as the public lands in the said Province are to remain the property of Canada there shall be paid by Canada to the said Province annually, by way of compensation therefor, a sum based upon the estimated value of such lands, namely, \$37,500,000,

the said lands being assumed to be of an area of 25,000,000 acres and to be of the value of \$1.50 an acre."

A recent report issued by the Department of the Interior shows that the average price obtained for Government lands in the Northwest in 1903 was \$3.45, in 1909 \$11.08 per acre.

### CALDER A POOR APPRAISER

Premier Scott and his colleagues thought at the time that the terms were, not only adequate, but extremely generous. When called upon to defend the figures their embarrassment became evident and they began to say that certain large portions of the Province were not worth taking into account. In the budget debate of 1906 Mr. Calder defended the land terms and was answered by Mr. Haultain, who criticized his estimates of areas. Mr. Scott came to the rescue of his colleague and said:

"Mr. Calder spoke of the territory south of Township 55, 40 miles north of Prince Albert, and he (Scott) thought no one would say that at the present time the lands further north than Township 55 were saleable at any price."—Leader, May 21, 1906.

In those days the country lying between the Soo Line and the Alberta boundary was considered as fit only for ranching and of little real value. In the budget debate of 1906 Mr. Calder said so. Since 1907 it has been taken up almost wholly for farming purposes. The Government has received several million dollars in land sales from it, besides a very large annual revenue in the form of interest.

Almost every well-informed man agrees that the country north of Prince Albert is one of great possibilities. But in 1905 and 1906 those who defended the Autonomy terms did not think so. The reader already knows what Premier Scott thought of it. Here follows the opinion of his personal organ, the Leader:

### COMPARISON OF OPINIONS

Opinion of Regina Leader, November 17, 1905: "North of Prince Albert there are no arable lands, no prairie lands. The country is covered with poplar forests, lakes, swamps, rock, etc."

From the evidence of F. G. Durnford, C.E., of the Department of the Interior before the Senate Committee, February 12, 1907:

Land "suitable for cultivation"—19,968,000 acres.

"Land about which there is very little information"—33,280,000 acres.

Prof. Macoun, Naturalist, Geological Survey of Canada:

"There can be no question about the value of the land north of the Saskatchewan and settlers going in there are assured of three essentials: wood, water and hay for cattle."

### MORE ABOUT THE NORTH

The speeches of Messrs. Donaldson and Bradshaw contained in another part of this pamphlet, brought out the following facts: The area of the Province north of Prince Albert is equal to that of the whole Province of Manitoba; the experts of the Interior De-

partment have testified that the land suitable for cultivation is 19,968,000 acres, while the area of the land about which little is known, is about 33,280,000 acres; the timber cut of that country last year was 50,000,000 feet; that the mineral deposits are undoubtedly important.

Even Sir Richard Cartwright, whose pessimistic predictions respecting the future of the Dominion caused him to be dubbed the "Blue Ruin Knight," has had his eyes opened. Speaking of the Northland generally in 1907, he said:

"There is no doubt we are hardly acquainted in the slightest degree with the enormous resources of the unexplored regions of this Dominion. We have barely scratched the surface, and yet we have found such places as the well-known Cobalt camp, the Klondike, and other sections, where there are enormous resources of which we never dreamed."

The people of this Province are only beginning to realize the potentialities of this region which was sacrificed by Premier Scott as unworthy of consideration. The Scott Government was so alarmed at the prospect of the results which an enquiry into the resources of the north country might reveal that it refused to accept the Donaldson resolution for an enquiry to ascertain the facts. But the facts will out.

Are you getting enough for your heritage?

#### SASKATCHEWAN'S COAL AREAS

The coal areas of Saskatchewan have not received much attention owing probably to the prevalent impression that they are not of great value. But reports recently issued by the Geological Survey branch of the Department of Mines show them to be so extensive as to call for a revision of the estimate which has been placed upon them by the general public.

Mr. D. B. Dowling, an expert of the Department, has estimated that the coal areas of the Province contain about 18,000,000,000 tons. These areas are classified under the Belly River and Laramie formations. Coals of the Belly River formation generally grade between lignite and bituminous. These are estimated at 3,000,000,000 tons. Coals of the Laramie formation are lignites. These are estimated at 15,000,000,000 tons. These estimates are confined to the southern portion of the Province; definite information respecting reported coal areas in the north not being to hand. Already coal mining has developed into an important industry in this Province and the indications are that it will make very gratifying progress.

#### AN OFFICIAL STATEMENT.

The following quotations have been taken from Mr. Dowling's report:

"In the Cypress Hills, and on the Coteau, these beds occur in the elevated portions of the country; but east of the Coteau there seems to be a basin in which they dip down to the east, and so underlie the area traversed by the Souris River."

"The area that is best known is the vicinity of Estevan on the Souris. Mining has been carried on here for several years. The seams are found exposed on the river banks, and located elsewhere by boring. An 8 ft. seam is mined, though on some of the properties near Bienfait, this is thickened up to 15 feet. Over a large part there are, per section, at least 7,000,000 tons of lignite available. Eight townships of this vicinity would, therefore, have a possible

2,000,000,000 tons. Coal will be found north to near Weyburn station, and west of this, outcrops have been recorded on the Souris, in Township 3, Range 15. Along the International Boundary, in about the same longitude, seams are exposed on Big Muddy Creek, draining Willowbunch lake. These are of low grade lignite, and the seams are respectively 3 feet and 5 feet in thickness. At the crossing of Poplar river in Township 1, Range 29, West of the 2nd Meridian, there is an exposure of an 18 ft. seam of lignite of about the same quality of coal as at Souris river.

"Near the old Mounted Police post at Wood Mountain, seams of 6 and 5 feet respectively have been opened, and have proved good domestic fuel. The same may be said of exposures at Willowbunch settlement. West of this the lignite beds underlie portions of the Swift Current plateau. In the Cypress hills a 4 ft. seam is recorded at the head of Lodgepole Creek; so that, with the scattered areas in which coal seams have been found, exclusive of the Souris area, there are nearly 4,000 square miles on which there is a good chance of finding coal. This area is capable of producing, for every foot thickness of coal worked, 3,720,000,000 tons, which, with the smallest workable thickness of 4 feet, means 13,000,000,000 tons."

It is well known that there are outcroppings of coal along the Saskatchewan as far east as Prince Albert; but no estimate has been made of the extent of any areas which may exist in the north.

### THE DOMINION GETS \$3

The settler pays the Dominion Government \$3 an acre and interest at 5 per cent. for land, in lieu of which the Dominion government pays the Province at the rate of only 1 per cent. on a valuation of \$1.50 an acre.

It did not take the Dominion Government long to conclude that the valuation of \$1.50 an acre, which in 1905 it placed on the lands of this Province, was altogether too low. So in 1908, when it came to throw open to settlement the odd-numbered sections, it increased the price 100 per cent. to \$3. Instead of charging the settler one per cent., which is the rate it allows the Province, it charges him 5 per cent. on this land. What is good for the Dominion should be good for the Province.

During the period beginning with the spring of 1908 and ending December 31st, 1909, the Dominion Government sold in Saskatchewan 2,912,800 acres of pre-emption and purchased homestead lands at \$3 an acre, having an aggregate value of \$8,738,400. This year it will receive over \$425,000 in interest from these lands which is \$50,000 more than this year's subsidy in lieu of all the lands which exceed 100,000,000 acres.

### BENEFITS OF HAULTAIN POLICY

"I admit," says some one, "that you have the better of the constitutional argument. It is quite plain that in 1905 Premier Scott went back on every argument he had formerly advanced in favor of the claims of the people of the Territories. But what better off financially would the Province have been had Mr. Haultain's policy been adopted?"

If Mr. Haultain's policy had been adopted, the Province, instead of having virtually no assets and owning no land except what it has bought in the open market, would have had over 100,000,000 acres. One hundred million acres of land in the last great West, where almost every person is after land, is a rich asset. A census

return just published places the average value of Saskatchewan farm lands at \$21.50 an acre, and the Dominion Government is asking \$3 for pre-emptions. It will not take the reader long to come to the conclusion that when this great domain was bargained away a rich heritage was lost.

If Mr. Haultain's policy had been adopted, the Province would receive the \$425,000 which the Dominion Government will collect this year on the pre-emptions and purchased homesteads it has sold in this Province since January 1, 1908.

If Mr. Haultain's policy had been adopted, the Province would now be receiving at least \$700,000 a year as compensation for the 14,000,000 acres of Saskatchewan lands granted to railway companies.

From these two items alone the Province would now be receiving as much as it will ever get in lieu of the lands.

If Mr. Haultain's policy had been adopted, the Province could collect a share of the proceeds from the railway townsite sales.

If Mr. Haultain's policy had been adopted the C.P.R. tax exemption would have been abolished.

If Mr. Haultain's policy had been adopted, the Province would have control of the lakes and streams.

#### THE TWO SIDES

The following figures should convince the most skeptical that the Province got the worst of the land terms in the Autonomy settlement:

##### TO THE DOMINION

\*Aggregate revenue received at Dominion Lands offices in Saskatchewan and at Ottawa on account of public lands and other natural resources in the Province from July 1st, 1905 to December 31st, 1909... \$2,410,254.62

Aggregate value of pre-emption and purchased homestead land sales during 1908 and 1909..... 8,738,400.00

\$11,148,654.62

\*—See return, House of Commons, Feb. 10th, 1910.

##### TO THE PROVINCE

Received by the Province in land subsidies from July 1st, 1905 to December 31st, 1909 (4½ years)..... \$1,687,500.00

\*\*Public buildings subsidies (4½ years)... 421,875.00

\$2,109,375.00

\*\*—Discontinued after March 1st, 1910.

#### COMPENSATION FOR LANDS

The Province should receive about \$700,000 a year in compensation for lands within its boundaries granted away to companies, chiefly for railway enterprises.

The area thus granted away is equal probably to about 14,000,000 acres. The "Draft Bill" provided for compensation at \$1 an acre, on which 5 per cent. should be paid annually to the Province.

In Parliament, Mr. Scott said that the section relating to compensation for railway lands was the supremely important part of the "Draft Bill." That Mr. Haultain's case for compensation is good

will appear from a recital of a few facts relating to the manner in which the trustees discharged their duties to the public lands "trust." The trustees, doubtless, did what they considered was best, but the fact remains that the "trust" was neglected and some compensation should be made.

The grants aggregate nearly 14,000,000 acres. Not only has Saskatchewan lost this area of her best lands, for which she has received nothing; but she has also assumed her share of the \$171,827,648 aid (which does not include the cost of the Intercolonial, P.E.I. and G.T.P. railways) granted by the Dominion government to railways during the period 1876-1909. She has assumed her share of the \$82,744,937 spent on the Intercolonial and of the \$92,000,000 spent on canals. For all these works she has proportionally assumed double, and in some instances three times, the burden assumed by the old provinces.

The Dominion Government could not make grants to railway companies out of the public lands of the old provinces, because they control the public lands. So, when in the East a railway received federal assistance, it was in the form of a cash subsidy, which became a common charge on all the provinces, Western as well as Eastern. And many of the railways thus aided were of a purely local character. But when a railway was to be built through a portion of the West, the more usual method of granting assistance was in the form of a land subsidy, which fell, not upon the Dominion as a whole, but entirely upon the Province in which the area granted was afterwards included.

#### SASKATCHEWAN'S BURDEN

Of all the provinces, Saskatchewan has borne the greater part of that burden. For example, the Province of Saskatchewan has paid double (in cash and land) what the older provinces paid (they assumed their share of the general cash liability) for the building of the C.P.R. On the other hand she has assumed her proportionate share of the cost of the Intercolonial, a purely Eastern road. Indeed, Saskatchewan and Alberta assumed a treble burden for the building of the C.P.R. in the form of the tax-exemption. Had the territory between Moosomin and Maple Creek been organized into a province in 1875, instead of 1905, and been given control of the public lands, it would have escaped this heavy burden. The mere fact that this territory was organized after the grants were made can hardly be an argument weighty enough to offset the claim for compensation.

It will be both interesting and instructive to review Premier Scott's declarations on this subject. Speaking in the House of Commons during October, 1903, he said:

"Surely the building of railways is a federal undertaking; these railways were authorized to be built by Parliament so that surely they were federal undertakings."

"Mr. Haultain says, and I say, and I think every man of the Northwest will say, that these lands voted to railway companies were lands voted for federal purposes, and that there is no possibility of any real dispute with regard to the purposes for which the lands were voted."

"Generosity to the railway companies, generosity to Ontario, to British Columbia, to Manitoba if you like; our lands were taken to build roads in all these provinces, our lands were taken to make these railway corporations rich," etc.

## CANADIAN PACIFIC LAND GRANT

While, as Premier Scott aptly stated it, the Territorial domain was held in trust, it is a well known fact that corporations fell into the habit of helping themselves. They did it in the early eighties and are doing it today. Both the Canadian Pacific and the Canadian Northern have greatly benefitted. The Canadian Pacific received a grant of 25,000,000 acres of land. Incidentally Alex. Mackenzie was prepared to grant 50,000,000 acres.

The land was to be selected within the area bounded by Winnipeg on the east and Jasper House on the east slope of the Rockies. Of this grant, 6,250,000 acres were to be earned on the "Eastern Section," which extended from the Red River to Callender, Ontario, and 18,750,000 acres were to be earned on the "Central Section," i.e., from Selkirk, Manitoba, to Kamloops, British Columbia. Having encountered financial difficulties, the Canadian Pacific surrendered 6,793,041 acres to the Dominion Government for which it received \$10,189,521. In company with those in the other parts of Canada, the people of the now Province of Saskatchewan, assumed their share of the payment. Thus the people of the Province paid money to buy back land which Premier Scott said was held in trust for them, and the Dominion government kept the land.

The "Central Section" extending from Selkirk, Manitoba, to Kamloops, British Columbia, is 1,250 miles long. Of this distance 220 miles are in Manitoba, 760 in the Territories, and 270 in British Columbia. The subsidy per mile in the prairie country was 12,500 acres; in the mountains 16,666 acres. According to this division, the Company should have selected 2,750,000 acres in Manitoba; but it selected only 2,500,000, preferring to select the remaining 250,000 acres in the Territories in addition to the 8,500,000 acres earned on the Territorial portion of the road. In the Territories the Company also selected the 4,500,000 acres earned on the 270 miles of British Columbia construction. In addition, the Territories, of course, bore their share of the general liability incurred in the building of the Canadian Pacific.

There is good precedent for compensation in the agreement between the Dominion and British Columbia by which that province draws for all time an annual subsidy of \$100,000 in return for a belt of territory 40 miles wide across the province, granted to aid in the construction of the Canadian Pacific.

"But," it may be said, "Saskatchewan must assume this burden which was incurred in the settling and development of the country." She should assume her proportionate share, but no more. The cost of the Canadian Pacific should not be borne to a greater extent by her than the cost of the Grand Trunk Pacific is borne by the provinces of British Columbia, Quebec and Ontario, in which it is an almost purely colonization road.

## CANADIAN NORTHERN LAND GRANT

The Canadian Northern soon learned that the lands of central and western Saskatchewan sold at a higher price and much more readily than those of northern Manitoba; and having grants exceeding 2,000,000 acres in extent to be selected chiefly in the latter province, it decided, if possible, to have the area from which it might select, extended; and it succeeded. Through permission obtained by successive orders in council it has been enabled to obtain fully 1,500,000 acres of the best land in the Province and lying outside

its original reserve; lands much better than those it was first intended the company should get.

The story of the extension of the company's reserves goes back to the early eighties when the Winnipeg and Hudson's Bay Railway Company received a grant of 6,400 acres of land for every mile of road built towards the Bay in Manitoba, and 12,800 acres for every mile built in the Territories. This company with the Lake Manitoba Railway and Canal Company was absorbed by the Canadian Northern, which thus acquired land grants aggregating 3,321,408 acres. Of this area, 2,256,341 acres were for a road to the Bay. The mileage represented by these grants was about 390 miles, all but about 30 of the 300 miles built being in Manitoba. The original reserve from which the lands were to be selected was largely in that Province, a comparatively small portion being in Saskatchewan. Since 1903, the Canadian Northern, or the land company which has purchased its right, has been selecting lands west of its Regina-Prince Albert branch, 200 miles west of its original reserve.

In the original reserve 473,706 acres were selected. Then complaint was made that sufficient land of the quality that the company thought it had a right to expect, could not be obtained there, and that it would be unfair to confine the company to that area. Other complaints were also made. The original reserve was quite extensive; for in 1896 the company had there 8,750,000 acres to select from. Permission was obtained to select 100,000 acres from the reserve of the Manitoba and Northwestern company. Following this in 1903 permission was obtained to select within the area of the Qu'Appelle, Long Lake and Saskatchewan reserve. Then the Government wanted some of the company's lands for a Doukhobour reserve, and also a forest reserve; and in return it was granted permission to select in 55 townships west of the Qu'Appelle and Long Lake reservation.

In a report of the committee of the Privy Council, dated May 8, 1907, it is set forth that from these two areas the company had at that date selected 1,206,588 acres. A further concession was granted in that year, the Minister of the Interior recommending that the Canadian Northern be permitted to make selection from the odd numbered sections at the disposal of the Government in the reserve set apart in 1895; from the Qu'Appelle and Long Lake reserve; and from the block of townships comprising 27 to 34 inclusive, in ranges 10 to 29 inclusive, west of the 3rd meridian.

The Canadian Northern is now selling this land for \$15 an acre and collecting 7 per cent. interest on the payments. No opinion is expressed on the policy of the Government in permitting an extension of the area of selection. The case is cited merely to support the claim for compensation for lands granted away while they were "held in trust" for the people of the Territories.

#### OTHER LAND GRANTS

Several minor roads, subsequently absorbed by the big corporations and which were built very largely (in some cases entirely) in Manitoba, selected their lands in the Territories. The Great North West Central grant of 300,000 acres was selected almost entirely in the Territories, though its whole mileage is in Manitoba. The reserve for the Manitoba and Northwestern of 1,500,000 acres was located in the Territories, though four-fifths of its mileage was in Manitoba. For the Manitoba and Northwestern, a reserve of 681,000 acres was located in the Territories, the whole of its mileage



being in Manitoba. More than half of the 1,600,000 acres grant for the Deloraine and Napinka, Glenboro and Souris, Kemnay and Estevan and Pipestone branches of the Canadian Pacific were selected in the Territories, though the greater part of their mileage is in the province to the east.

For all these enormous grants, what mileage outside of the Canadian Pacific main line, had the Province on September 1st, 1905? Only a comparatively small amount. Since that date, the Province has assumed a total liability for principal and interest in the form of bond guarantees amounting to \$50,000,000; and that for only 1,625 miles. Mr. Calder, during the last session of the Legislature, said that if 3,000 miles were built within the next few years it would only meet present demands. Saskatchewan paid for national railways out of her resources, and must now pledge her credit to obtain railways for herself.

### C.P.R. TAX EXEMPTION

The Province has lost 14,000,000 acres of its best land to the railway companies for which it has received no compensation; and is further handicapped by the C.P.R. tax exemption. By the Act of 1881, "The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the company, shall be forever free from taxation by the Dominion, or by any Province to be hereafter established, or by any municipal corporation therein." The lands of the company are, for a certain period, also exempt; "and the lands of the company in the Northwest Territories, until they are either sold or occupied shall be free from such taxation for twenty years after the grant thereof by the Crown." That means exempt from the date of the issuing of the patents, extending the exemption to about thirty-five years.

This exemption, instead of being abolished, or at least left an open question for the courts to decide was re-enacted in the Autonomy Act in 1905. Thus Alberta and Saskatchewan cannot do what all the other provinces can do—tax the C.P.R.; nor can the municipalities within these two provinces tax the Company. The exemption which the Company enjoys has furnished ground for a plea on the part of rival railway companies for a similar concession. And they are getting it. The branch lines of the C.N.R. and G.T.P. are being built under the guarantee of bonds method, one of the stipulations being that the roads, the bonds of which are guaranteed, are exempt from taxation during the first fifteen years, and, during the second fifteen years, the rate of taxation shall not be greater than \$30 a mile.

Naturally the people of the Province were much disappointed that no provision had been made for the removal of this burden. Mr. Haultain's "Draft Bill" called for the abolition of the exemption and the question was—why was such action not taken? Premier Scott said that Parliament was disinclined to change the law at that time; but added that he had Sir Wilfrid Laurier's promise that steps would soon be taken to that end. Appended are some of the Premier's assurances:

### SCOTT A PROMISE BREAKER

Speaking at the Provincial Liberal Convention in Regina during August 1905, Mr. Scott said respecting the C.P.R. tax exemption:

"And we have Sir Wilfrid's promise that in due time that will be satisfactorily dealt with."

"I was pledged to stand for delay of the Autonomy settlement without a clear understanding of our position concerning C.P.R. tax exemptions:—I have the Prime Minister's public promise that at the earliest opportune moment not alone the Provincial exemptions on lands and roadbed, but also the Dominion exemption on roadbed, etc., will be abrogated by negotiation or by expropriation."—Scott to the electors of West Assinibola, 1905.

"As to the C.P.R. exemption, we had the pledge of Sir Wilfrid Laurier that it would be cancelled in good time."—Premier Scott at Arcola, Leader, September 20, 1905.

"I have Sir Wilfrid's promise that his government will bring about the complete abrogation of these exemptions (C.P.R.) and free the hands of Saskatchewan in this respect."—Premier Scott to the electors of Saskatchewan, 1905.

"As regards the right of the Province to tax C.P.R. property, the matter is already before the courts and a decision will shortly be reached by the Privy Council."—Leader, December 8, 1905.

Nothing has been done to carry out these promises.

### MAINTAINING THE POLICE

The Dominion Government has not done all it promised to do, or all that Premier Scott said it would do as a party to the Autonomy terms. It was to bear the cost of maintaining the Mounted Police; but within seven months after the Provincial government was established the latter contributed \$75,000, and has continued annually to do so for their maintenance.

Speaking on this matter in the House of Commons on March 28, 1905, Hon. Rudolphe Lemieux said:

"Moreover the Dominion will—and this fact should not be overlooked—still maintain our corps of Mounted Police in the Northwest Territories, a maintenance which entails an annual cost of \$300,000."

"Inasmuch as the Dominion retains control of the lands, it shall also maintain the R.N.W.M.P. to patrol these lands as long as such a force is necessary to the maintenance of law and order"—Leader, October 18, 1905.

"They (Dominion government) also agree to maintain the R.N.W.M.P. force to police the plains, which force cost half a million dollars a year."—Leader, September 27, 1905.

"A vote for a Haultain candidate, therefore, is a vote in favor of taking over the land of the Province and, fourth, assuming a portion of the cost of the Mounted Police."—Leader, October 18, 1905.

"I had also gone on record with the statement that the Mounted Police force could not be dispensed with; the Mounted Police force is maintained, and incidentally granted a richly-merited increase of pay."—Scott to the electors of West Assinibola.

"By the land bargain given the Province we escape the cost of the Mounted Police."—Scott to the electors of Saskatchewan, 1905.

### APOSTASY OF "THE LEADER."

Haultain Policy 1902

Haultain Policy 1905

"Eye hath not seen nor ear heard, neither hath it entered into the heart of any other man" Mr. Haultain stands for a school question agitation; for upsetting the land bargain; for

to conceive the good things Mr. Haultain claims as our right in regard to the matter of becoming a province."

"The lesson of the election is very simple. The administration of the Northwest Territories is approved, and the policy of the executive is endorsed. The command of the electorate is—as you were. As to the policy of the executive it is at present confined to one question, that of the provincial status. Premier Haultain is returned to carry out the plan he submitted to the Dominion government and to the people of the Northwest (Draft Bill). The plan is nothing new. Premier Haultain has been trying to carry it out for years. He has educated the people to a realization of it and belief in it. All he has to do is to follow along the road he has been travelling for some time past. That is the road along which his followers have faithfully accompanied him, and it is the direction to which he is pointed by the elections that have just taken place.—Leader, May 29, 1902.

leaving the C.P.R. forever in enjoyment of its tax exemptions; and with loading this Province with debt through the Hudson's Bay road."—Leader, September 7, 1905.

"Therefore the rejection of the Liberal policy re lands and the adoption of Mr. Haultain's policy means one thing and one only—Direct Taxation."—Leader, December 4, 1905.

If we had the lands, we should not get a subsidy in lieu of lands. For the year 1905 this amounts to \$463,750. If deprived of this the Province would immediately have to borrow money. Direct taxation would be staring us in the face.—Leader, November 11, 1905.

If we had the lands we should have to sell them for revenue purposes.—Leader, November 11, 1905.

### OTTAWA CONTROLS WATER AREAS

The Government of Saskatchewan has no control over the water areas within the Province. No one can lawfully divert a stream or even the water in a slough without first applying to Ottawa for permission. Why? Because the Province does not control the public domain.

Section 6 of the Irrigation Act, reads:

"The property in and the right to the use of all the water at any time in any river, stream, watercourse, lake, creek, ravine, canyon, lagoon, swamp, marsh, or other body of water shall, for the purposes of this Act, be deemed to be vested in the Crown, unless and until and except only so far as some right therein, or to the use thereof, inconsistent with the right of the Crown, and which is not a public right or a right common to the public, is established. No person shall divert or use any water from any river, stream, watercourse, lake, creek, ravine, canyon, lagoon, swamp, marsh, or other body of water, otherwise than under the provisions of this Act except in the exercise of a legal right existing at the time of such diversion or use."

Contrast these provisions with those contained in the following section from Mr. Haultain's "Draft Bill" which would have transferred to the Province the title to all the water:

"In and for the Province the said Legislature may exclusively

make laws in relation to irrigation and, subject to any rights acquired under any Act of the Parliament of Canada before the 1st day of January, 1903, the property in and the right to the use of all water at any time in any river, stream, watercourse, lake, creek, ravine, canyon, lagoon, swamp, marsh, or other body of water shall on, from and after the said date, belong to and be vested in the Province unless and until and except only so far as some right of some person therein, or to the use thereof, inconsistent with the right of the Crown and which is not a public right or a right common, is established."

### SALE OF TOWNSITES

Through not having control of the public lands, the Province has lost thousands of dollars through the sale of townsites by railway companies. Several of the provinces which control the public lands stipulate for a certain proportion of the proceeds of such sales or reserve the entire sites. For example, British Columbia has a fourth interest in all such townsites. Ontario has reserved all the townsites along the line of the Grand Trunk Pacific.

Note the difference in the results in these provinces as compared with the result in Saskatchewan. British Columbia received about \$300,000 from the first sale of lots in Prince Rupert last year. In Saskatchewan, the townsite of Outlook was recently sold, and it is reported that the C.P.R. received \$100,000 from the sale. What would the Provincial government get? Nothing! Why? Because it does not control the public lands.

The Ontario government will receive thousands of dollars through the sale of townsites along the Grand Trunk Pacific. The Saskatchewan government has received nothing from similar sales. Why this difference? Ontario controls the public lands within her boundaries; Saskatchewan does not. The people should share in the values which through settlement and development they have created. Control of the public domain would enable the people of Saskatchewan to do so.

### REVENUES INADEQUATE

Heavy and immediate direct taxation stares the Province in the face.

For four and a half years the system, which the Autonomy Act introduced, has been in operation. No sooner was it well under way than its inadequacy became strikingly apparent. In the financial year 1908-09, there was an actual deficit of \$786,000. What was the chief cause of the deficit? Revenue, which to a large extent has been fixed arbitrarily by the Autonomy terms, increases slowly. Any increase there may be in the land subsidy can only come at stated periods. On the other hand, the growth of expenditure has been both uniform and rapid. It cannot be checked if legitimate public demands are to be satisfied.

If the Province had had control of the public resources, the revenue from them would have kept pace with values; but though values have increased enormously the Province today receives no larger subsidy in lieu of the lands than it did in 1905. Moreover, the Autonomy terms so bind the Province that during the period when its population will have increased about 150 per cent. (from 330,000 to 800,000) its return in the form of land subsidy will only have increased from one to two per cent. Indeed, population must first show this increase before the land subsidy is capable of increase from one to two per cent.

Instead of the subsidy in lieu of the public lands forming a large percentage of the provincial revenue, it is equal only to about 15 per cent. against nearly 50 per cent. in British Columbia, 30 per cent. in Ontario, 25 per cent. in Quebec and Nova Scotia. These provinces, however, receive the full benefit resulting from increased demand and higher values; but the Dominion receives the benefit of the higher values in Saskatchewan. Every one knows that the public resources of the Province have greatly increased in value since 1905, but since that year the subsidy in lieu of lands has remained stationary and will remain so until population reaches 400,000.

Further, the Province has not received a cent for the 14,000,000 acres of her select lands granted away to railway companies. This is an area larger than that of Nova Scotia, and equal to four-fifths the area of New Brunswick. Much of it cannot be used for some years.

Respecting the land subsidy, it is to be noted that it cannot be increased before 1912, when, if population reaches 400,000 the subsidy will be increased by one-half of one per cent. No wonder expenditure outstrips revenue.

#### ASSISTANCE TO IMMIGRATION

Would federal assistance to immigration be withdrawn if control of the public lands was transferred to the Province? No.

Aside from this fact, why should such assistance be withdrawn merely because of the transfer of the lands? That assistance is not now granted because immigration is beneficial only to these provinces; but because it is beneficial to the whole Dominion. An increase of population means an increase of wealth and consequently a larger amount of taxable property. Every immigrant begins to contribute to the Dominion revenue as soon as he enters Canada. He does so through what he eats, drinks and wears. Every immigrant is worth to the Dominion, not to the Province alone, at least \$1,000. He also assumes fully \$45 of the national debt. That being so, it is quite unreasonable to think that the mere transfer of the public lands in Saskatchewan and Alberta to the Provincial governments, would result in the discontinuance of federal assistance to immigration.

The Dominion immigration work is not confined to the prairie provinces. All-Canada is benefitted. Much less than 50 per cent. of the immigrants from over the seas come to the prairies.

Nor is the cost of immigration work as expensive today as it formerly was. During the period 1874-78, the expense was \$8.40 a head; in 1909 it was \$6.60.

#### ALBERTA'S IMMIGRATION BILL

Instead of the retention of the public lands by the Dominion saving the Provinces from the expense of assisting immigration—which was one of the solemn assurances given in 1905—Alberta intends to spend \$425,000 on this work during the next fifteen months. The following despatch published in the "Leader" of January 27th, 1910, tells the story:

"EDMONTON, Jan. 26—Charles H. Hotchkiss, of Claresholm, for eight years a magazine writer and newspaper man in the middle States, and also a former railway man, has been appointed publicity commissioner for the provincial government and will take up

his headquarters at the provincial buildings within the next few days.

"This was the announcement made this morning by Hon. Duncan Marshall, Minister of Agriculture, under whose department the appointment comes. Mr. Hotchkiss will direct the publicity campaign which the provincial government intends to carry on for the next 15 months, and which will include the maintenance of publicity offices at several points in the eastern States, and the maintenance of exhibits at some of the state fairs in the country to the south. He will take charge of the campaign, which will be outlined by the cabinet at a meeting to be held shortly, and in which it is estimated that \$425,000 will be spent."

Saskatchewan is next.

### SUPPLEMENTARY REVENUE TAX

Direct Taxation exists in Saskatchewan and has existed since 1907. For the Supplementary Revenue Tax is a Direct Tax. It is a tax of one cent an acre levied on every owner or occupant of land within the Province; but it does not apply to land comprised within the limits of town and village school districts. Thus the tax falls on those least able to pay it—the homesteader and pioneer settler. The wealthiest portions of the Province, the town and village school districts are exempt—but they get a share of these taxes.

The ostensible purpose of the tax is to supplement the revenues of the Crown, the proceeds being applied to educational purposes. By the terms of the act the proceeds are divided as follows: 5 per cent. to the Agricultural College; 5 per cent. to the University; 10 per cent. for secondary educational institutions, i.e., high schools and collegiate institutes; 80 per cent. for primary schools. But the terms of the Act relating to the distribution of the proceeds may and have been suspended. The tax is estimated to produce \$300,000 a year, though it never does.

The Supplementary Revenue Tax is a hardship in that it falls upon the new settler immediately after his entrance into the Province. It makes no difference whether he be a poor homesteader, hard pushed to make both ends meet, or whatever his means. It makes no difference whether the settler takes up land in a newly settled community or in an old one, whether he has a school or not. He must at once begin to contribute to the support of schools in other communities, to the support of high schools and collegiate institutes, to the support of the University and Agricultural College. All these institutions are good and necessary, but they all are not immediately necessary to the new settler. He needs a primary school for his children before he needs a high school or collegiate institute, a university or an agricultural college. He may not be able to get the primary school his children need; but he must begin to contribute immediately to the other educational institutions of the Province.

It is worthy of note that as the area of settlement widens and new school districts are formed the amount which the schools receive in the form of payments from the fund decreases; for the greater the number of schools to divide the proceeds, the smaller the amount to each. Eventually, the school districts will only get 80 per cent. of what they pay into the fund, minus 5 per cent. for collection.